National Restaurant Association Vol. 5 No. 10 November 1985

NRA NEWS

SPECIAL PULL-OUT SEMINAR SCHEDULE

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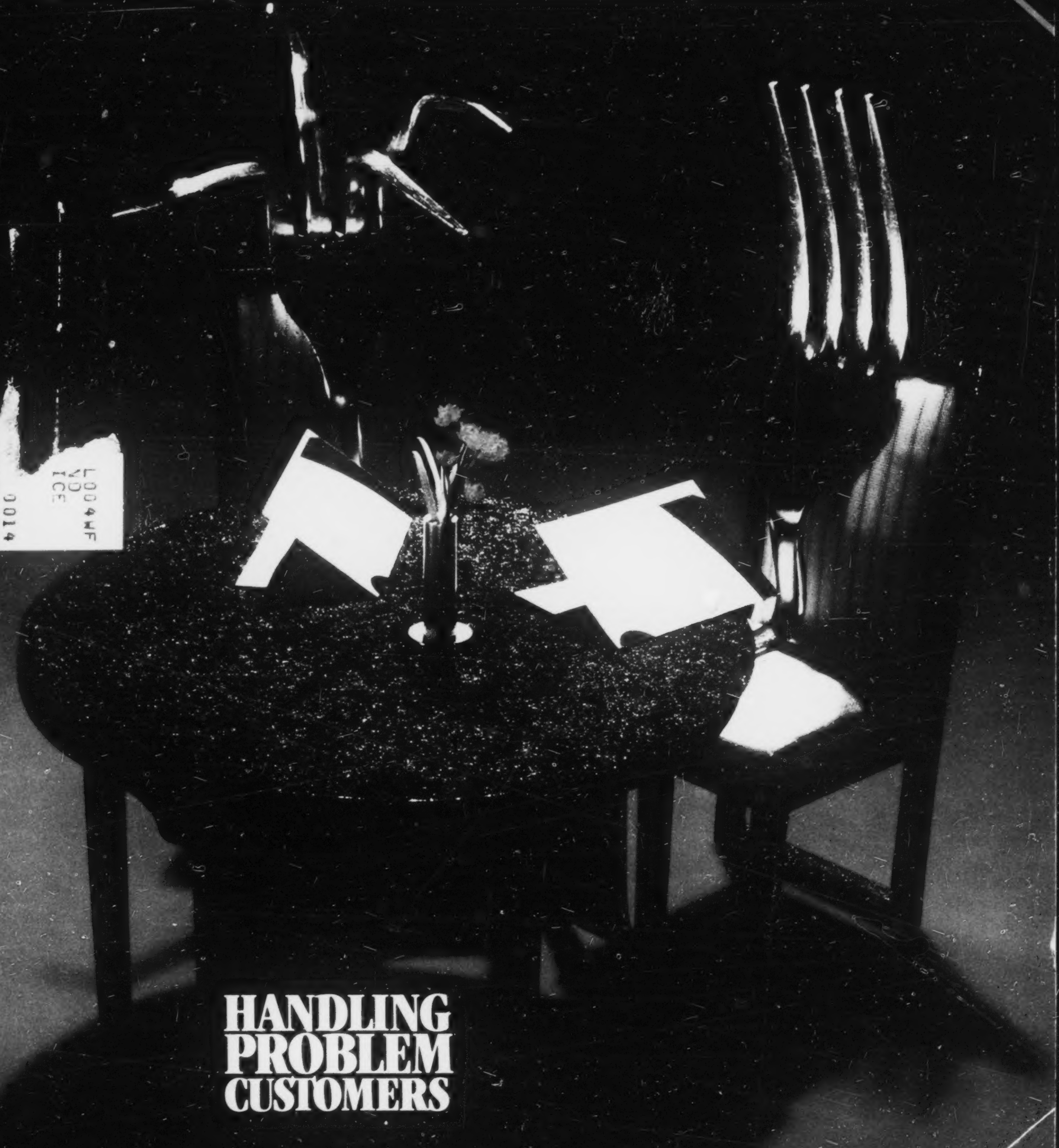

HANDLING PROBLEM CUSTOMERS

NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

11/12	Savannah, GA
12/3	San Jose, CA

Dining Room Management

11/13	Portland, ME
11/18	Billings, MT
11/20	Seattle, WA
12/3	Tampa, FL
12/5	Philadelphia, PA
12/10	Albuquerque, NM
1/21/86	Springfield, VA
1/27/86	Orlando, FL

Kitchen Management

12/10	Davenport, IA
12/12	Cheyenne, WY
1/21/86	Ft. Worth, TX
1/28/86	Cincinnati, OH

People-Power and Profits

11/21	Knoxville, TN

Tools for Training

11/19	Honolulu, HI*
12/9	Columbus, OH

Food Production Courses

The Pantry: Prep for Profit

12/3	Atlanta, GA

Perfecting Your Culinary Skills

1/28/86	Kansas City, MO

Simplified Baking Workshop

11/12	Boston, MA
11/14	Philadelphia, PA

Soups and Sauces

11/14	Portland, OR
1/20/86	Van Nuys, CA

Foodservice Management Courses

Banquet Management

11/12	Raleigh, NC

Computers in Foodservice: A Primer

12/2	Rochester, NY

Employee Motivation

11/13	Grand Rapids, MI
12/4	Rutland, VT

Food Cost Management

12/2	Dallas, TX
12/9	Las Vegas, NV
1/20/86	Jacksonville, FL
1/22/86	Atlanta, GA

Menu Development

11/19	Concord, NH

Off-Premise Catering

11/20–21	Richmond, VA
12/2–3	Lexington, KY

Planning and Implementing Restaurant Marketing Strategy

11/20–21	Los Angeles, CA
12/4–5	Salt Lake City, UT
1/22–23/86	Houston, TX

Real Estate & Restaurant Site Selection

1/21–22/86	Monterey, CA

Restaurant Design and Facilities Planning

12/11–12	Seattle, WA

National Conferences

INFO 86: Independent Operators National Conference

2/16–19/86	Orlando, FL

National Conference on Computers

3/16–19/86	Washington, DC

For more information, contact:
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156 or (202) 638-6100

**This is a special, shorter session of Tools for Training, offered at a reduced price in conjunction with the Pacific Area Food and Beverage Exposition.*

Study Group Meetings

1986 Schedule

Foodservice Security Council	
1/1986	Chicago, IL
Safety Officers	
1/1986	Chicago, IL
Large Independent Operators	
2/13-15	Orlando, FL
Labor Relations	
2/25-26	Memphis, TN
Financial Officers	
4/2-5	Lake Tahoe, NV
Tax Executives	
4/2-5	Lake Tahoe, NV
Market Research	
4/9-11	Atlanta, GA
Management Information Systems (MIS)	
4/13-16	Lake of the Ozarks, MO
Internal Audit	
4/29-5/2	Hilton Head, SC
Quality Assurance	
May (date and location to be determined)	
Foodservice Purchasing Managers	
5/14-16	Chicago, IL
Marketing Executives	
5/14-16	Chicago, IL
MAECO	
5/14-16	Chicago, IL

For more information on specific study groups, contact Philip Kralovec (312) 853-2525.

NRA NEWS

Vol. 5 No. 10 November 1985

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June-July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to ***NRA NEWS***. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright © NRA 1985. Postmaster, send address change to ***NRA NEWS***, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

Ted Balestreri
Co-Owner
The Sardine Factory, Inc.
Monterey, California

During the past few months, I have often focused your attention on the political arena. But just as important to the health of each of your establishments is the contact you make with other foodservice operators—exchanging ideas and sharing innovations as well as tackling problems and preparing for the future.

Plan to attend INFO 86

To promote this activity, NRA has established the Independent Foodservice Operator's National Conference (INFO). This coming February, hundreds of independent foodservice operators will attend INFO 86 to focus on the unique demands of their business. Plan to attend; it could be your best business decision of 1986. For more information, see the back cover of this issue of ***NRA NEWS.***

Delphi research looks at the industry to 1990

NRA also helps you plan for the future. During the next few weeks, you will receive the latest of NRA's *Current Issues Reports: The Restaurant Industry in 1990*. Based on results from Delphi research, *The Restaurant Industry in 1990* takes a look at key factors affecting the industry during the next five years. Members of the NRA Board comprised the highly qualified panel of experts required for a Delphi study. With operations in every corner of the country and many years of personal experience in the foodservice industry, our board members are well-equipped to give an astute forecast of conditions in our industry.

NRA presents annual economic forecast

The short-term forecast for the foodservice industry is just as strong as the five-year forecast. The December issue of the ***NRA NEWS*** will feature the 1986 NRA annual forecast. Sales predictions are good, and the consumer climate is positive. See next month's ***NRA NEWS*** for the full report.

Legislative activities continue in Washington

Although the economic forecast for the industry is good, the legislative forecast is still uncertain. NRA continues to monitor attempts to reform the U.S. tax structure. We are currently preparing testimony for the U.S. Department of Agriculture (USDA) on the central kitchen rules. The Food and Drug Administration (FDA) has closed the comment period on sulfites as they review all positions in preparation for making their final ruling.

NRA education programs expand

A special pull-out insert of the January to June 1986 six-month seminar schedule is included in this issue of the ***NRA NEWS***. Take a moment to look through the schedule and plan your 1986 education program. New seminars have been added to the schedule.

I am also pleased to announce that the first series in the NRA Video Training Library is being taped this month and will be edited for distribution in December. The first set of four tapes focuses on waitstaff training.

Call NRA's education programs department for more information.

NRA meets with health officials

Last month NRA representatives attended a meeting called by the Centers for Disease Control (CDC) to discuss the transmission of acquired immune deficiency syndrome (AIDS). CDC officials made two important points:

1. All evidence indicates that AIDS is not transmitted by foodhandlers and can only be transmitted through sexual contact, through blood transfusion or by sharing contaminated needles.

2. Foodservice employers should continue to have employees maintain normal health and hygiene precautions.

CDC plans to make its position public shortly. We believe that CDC also will recommend against routine screening of foodhandlers for the antibody to the AIDS virus since such screening is unnecessary.

NRA is in regular contact with CDC and will convey any additional guidelines to you as soon as they are finalized. Since portions of the public may be confused or uninformed about this highly publicized disease, we recommend that you respond to any inquiries by quoting these CDC statements.

During October, 152 foodservice operators and allied suppliers joined us as members of NRA. Your participation in NRA will make your business grow and make your association more effective in its endeavors on your behalf. Welcome.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board

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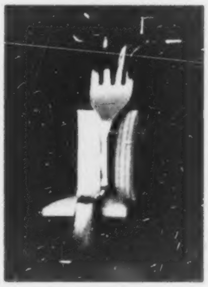
Cover Story: The Problem Customer



No matter how hard they try, restaurateurs cannot please all their customers all the time. Occasionally they are faced with an unhappy patron. How to make the best of this situation is the focus of this issue.

14 Handling the problem customer.

18 How to protect your employees from sexual harassment, with a sidebar on some snappy comebacks.

20 A look at customers' rights and restaurants' legal obligations. Don't miss the sidebar on using time elements to personalize service.

Related department: How's Business?

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Cover photograph by Gary D. Landsman

SHORT ORDERS

Free merchandising aids for fish

Fishery Products, Inc., has developed helpful merchandising tools for foodservice operators.

First, there's the handy "How to Fish for Profits" merchandising sheet, complete with full-color plate presentation and recipe ideas. This sheet lists all the various merchandising aids available to help stimulate seafood sales.

Also available is a 2½" by 3" menu clip-on which announces "our seafood specialty" and provides a large white area for writing in daily seafood favorites. A small border, punctuated by stylized fish, lists nutritional benefits of seafood.

For further information about these free products contact: Foodservice Marketing Manager, Fishery Products, Inc., 18 Electronics Avenue, Danvers, MA 01923. Or call (617) 777-2660.

Safety Council develops designated driver program

The National Safety Council has created a program to reduce alcohol-related car deaths. Called "Designated Driver: Being a Friend," the program encourages one person from each partying group to refrain from drinking alcoholic beverages and be the "designated driver" to ensure other party guests arrive home safely. The council believes the number of fatalities and disabling injuries resulting from motor vehicle accidents involving alcohol can be significantly reduced through this program.

The brochure covers four topics:

1) What is a designated driver?

2) How does alcohol impair?

3) How can you identify a drunken driver?

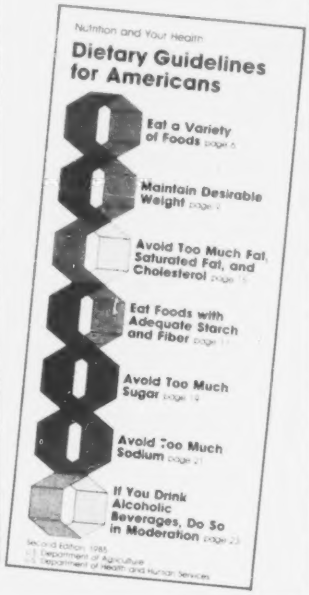
4) What should you do if you see a drunken driver?

A free, single copy of the brochure is available by sending a stamped, self-addressed, business-sized (#10) envelope, along with your request to Dept. PR, National Safety Council, 444 North Michigan Avenue, Chicago, IL 60611.

New edition of dietary guidelines

U.S. Departments of Agriculture (USDA) and Health and Human Services (DHHS) have released the second edition of *Nutrition and Your Health: Dietary Guidelines for Americans*. Although the revised version of the guidelines varies little from the original released in 1980, the new edition does emphasize more emphatically the need to consume a variety of foods, it also focuses on exercise's role in the maintenance of desirable weight. The guidelines are general and directional rather than rigid and quantitative. Therefore, they are inappropriate for people on a special diet for treatment of a disease. Rather, they underscore the importance of variety, balance and moderation of food intake and recommend altering eating habits to reduce the risk of developing major "killer" diseases, such as heart disease, cancer and stroke.

While supplies last, you can get free copies of *Nutrition and Your Health: Dietary Guidelines for Americans* by writing to: Dietary Guidelines, Consumer Information Center, Pueblo, CO 81009. A limited supply also is available to members through NRA. Contact the Information Service Department for a copy.



Nutrition and Your Health

Dietary Guidelines for Americans

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Maintain Desirable Weight page 9

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Avoid Too Much Sugar page 19

Avoid Too Much Sodium page 21

If You Drink Alcoholic Beverages, Do So in Moderation page 23

Second Edition, 1985
U.S. Department of Agriculture
U.S. Department of Health and Human Services

Professional waiters school

For the growing number of people who regard waiting tables as a career—not just a job—the Professional Waiters School is a welcome operation. Based in Los Angeles, CA, the school's curriculum is designed to teach students how to become first-class servers. The intensive two-week course is led by five foodservice professionals: chef, sommelier, maitre'd, waiter and bar manager. Basics covered in the course are food knowledge, wine knowledge and standard tableservice techniques.

The course is currently available as an in-house seminar to restaurants across the country. According to president/director Gary Penn, almost 2,000 people have graduated from the Professional Waiters School, and most of them have been extremely successful in landing jobs in some of the country's finest restaurants.

For more information, contact The Professional Waiters School, 7501 Sunset Blvd., Los Angeles, CA 90046, (213) 876-0284.

NRA member wins award

NRA member Wes Peterson, Ringside Restaurant, Portland, OR, recently won the very prestigious Good Scout Award for his efforts to assist young people interested in foodservice and for his contributions to the handicapped.

WASHINGTON REPORT

An update on business meal deductions

Congress moved forward last month on tax reform, wrestling once again with the question of whether business meals should be fully tax deductible.

The Senate Finance Committee heard testimony from NRA and other hospitality groups on the business expense issue on October 4. NRA reiterated testimony given earlier this year before the House Ways and Means Committee when the association outlined the effect of a $25 cap on the foodservice industry.

Studies by Chase Econometrics show that the President's plan to limit the meal deduction to $25, while allowing a 50 percent deduction for amounts above the cap, would result in the loss of $3.5 billion in sales and 144,000 jobs in the first year of its enactment.

A much more severe proposal offered by the Ways and Means Committee staff would limit the deduction to 75 percent, meaning 25 percent of all meal amounts would be disallowed. That proposal would cause a loss of $9.35 billion in sales and 360,000 jobs in the first year, according to Chase Econometrics.

As NRA noted in its Senate testimony, the Ways and Means Committee plan would affect a much broader spectrum of the industry, since every business meal would be only partially deductible.

Ways and means markup . . .

The Ways and Means Committee took up the question of business meal deductibility in early October as it began marking up its tax reform bill.

When the committee met on October 7, Rep. Bill Frenzel (R-MN) moved to strike the staff's proposal concerning business expense deductions. Frenzel's motion failed by a close voice vote, indicating the committee was still divided on whether or how business meals should be addressed.

The committee's decision, which is tentative, means that the staff option for disallowing 25 percent of the business meal deduction stands for the time being. Also left standing is a proposal to halve other business entertainment expense deductions, which could include restaurant-catered receptions, banquets and hospitality suites.

The committee is expected to revisit this issue before completing work on its tax reform package. When it does, Rep. Wyche Fowler (D-GA) is expected to offer a compromise amendment which would tighten IRS compliance rules while maintaining 100 percent deductibility of food-related business expenses. This amendment is supported by NRA.

The future of tax reform . . .

Despite the President's persistent campaigning for tax reform, most in Washington say it will be next to impossible for the Senate to complete action on a bill by the end of this year. That would push reform into the spring of 1986—an election year, when politicians traditionally are reluctant to pass controversial legislation.

Any bill that emerges from the House will likely be quite different from what the President proposed in May. Ways and Means

Labor issues update

The Department of Labor (DOL) will soon be calling for comments on its controversial "exempt manager" rules. The rules determine whether a managerial or executive employee is exempt from the Fair Labor Standards Act's minimum wage and overtime requirements.

DOL seeks comment on "exempt manager" . . .

In remarks to NRA's Public Affairs Conference last month, Susan Meisinger, deputy undersecretary of labor, said the department would publish a notice in the *Federal Register* before Thanksgiving. The announcement is especially welcomed by NRA, which has been working since the 1970s for the rules' revision.

Meisinger said rather than propose specific changes in the rules, DOL would seek general comments from interested parties by asking them to respond to a series of questions regarding the characteristics of management employees in their industry.

Current rules have not been updated in many years and are particularly narrow in their application to foodservice workers. "Working" supervisors or those with many hands-on duties, such as executive chefs, are often difficult to qualify as executives under the existing regulations.

Meal credits . . .

On a separate issue, Meisinger said the government is working on an NRA request that DOL put in writing a recent change to its policy concerning the meal credit.

In the face of recent court decisions, the department has dropped its requirement that employees must voluntarily participate in a meal plan before an employer can take the credit.

The voluntary participation requirement has been rejected by several U.S. appeals courts, which have ruled that an employer may take a meal credit against an employee's wages as long as the employer makes these meals available to employees.

Child labor rules . . .

Questioned about DOL's child labor rules, Meisinger said that the department has not abandoned a proposal floated during President Reagan's first term that would expand the number of hours teens can work after school and in the summers. The proposal was not well received by organized labor and educators and was put aside after it came under fire by Democrats on the House Education and Labor Committees.

Committee Chairman Dan Rostenkowski (D-IL) is following the President's general outline for tax overhaul, but he and his Democratic colleagues are certain to leave their own mark on tax reform. The question is how much they can tinker with the President's plan without having their handiwork rejected by the Republican-controlled Senate.

Many Senate members have not warmed up to tax reform, preferring instead to concentrate on deficit reduction measures. However, Senate Majority Leader Bob Dole (R-KS) has promised the President that he will keep the Senate in session beyond its Thanksgiving adjournment target if the House has made sufficient progress on tax reform.

Farm Bill passes House

The 1985 Farm Bill was approved by the U.S. House of Representatives in a 282-141 vote on Oct. 8. As passed, H.R. 2100 revises and extends farm and nutrition programs for five years without making significant changes to existing programs.

Unlike the President's proposed farm policy, the House farm bill does not go very far toward a market-oriented policy. White House-supported amendments that would make the bill more market-oriented were voted down during floor consideration of the bill.

A cost-saving amendment, supported by NRA, that would have replaced the complicated dairy diversion program with a reduction in price support levels was rejected by a vote of 244-166 on the House floor.

As passed, H.R. 2100 would allow a slight increase in the federal milk support price next year and then allow it to increase almost two dollars over the five-year life of the bill if farmers bring surplus production under control. Another provision allows farmers to sell their herds to the government if they want to leave the dairy business.

A White House-backed sugar amendment was also voted down by the House. The amendment would have scaled down the current sugar price support program.

The Senate was scheduled to take up its version of the farm bill on October 15. S. 1714 was reported from committee at $19 billion to $11 billion over budget, depending upon whose estimates are used. Sen. Jesse Helms (R-NC) was the first Agriculture Committee chairman to vote against his own committee's bill because it was over budget.

Congress must pass a farm bill before the 45-day extension of the current farm policy expires on Nov. 15. Both the House and Senate measures will require substantial revisions to satisfy the White House. According to Agriculture Secretary John Block, President Reagan will veto a farm bill that fails to make the necessary revisions leading to a more market-oriented policy.

Immigration bill passes Senate

The Senate has approved a bill to reform the nation's immigration laws. The bill, S. 1200, would impose sanctions against employers who knowingly hire illegal aliens. S. 1200 was sponsored by Sen. Alan Simpson (R-WY), who was the primary force behind immigration reform in the last Congress.

Employers would face both civil and criminal penalties if convicted of hiring illegal aliens. Civil sanctions range from fines of $100 to $2,000 per illegal alien for a first offense to $3,000 to $10,000 for a third offense. Employers who establish a "pattern or practice" of hiring illegals could be fined up to $3,000 and face up to six months in prison.

The sanctions would be phased in over the first year of enactment, with the first six months used as an "education" period. The bill would also require Congress to vote on termination of sanctions if the new penalty system is found to be discriminatory.

Mandatory employer recordkeeping is not included in this bill. The employer is given the option of keeping records which show that he verified his employees' legal status, but he is not required to do so. However, these records could be used as an "affirmative defense" by an employer if he were accused of hiring illegal aliens.

The House has been holding hearings on its version of immigration reform, H.R. 3080, which was introduced by House Judiciary Chairman Peter Rodino (D-NJ). The House plan would make employer recordkeeping mandatory. It also differs from the Senate version on creation of a guest-worker program and legalization of illegal aliens already in the country.

Congress is destined to have a tough time passing immigration reform this year. Even if the House gets a bill to the floor sometime this month, the bill promises to get stalled in conference as the Senate and House try to reconcile the differences between the two plans.

—Jay Morris
—Michelle Rabayda

Domenici speaks to NRA Government Relations Committee

Senate Budget Committee Chairman Pete Domenici (R-NM) proclaimed that the U.S. is in a "state of fiscal emergency." He said the national debt has risen to such staggering proportions that half of the average taxpayer's check to the IRS this year will go toward paying interest on the debt. Only 48 percent would be left for government operations, he said.

Recipe for action

NRA hosts first Public Affairs Conference

Congress felt the foodservice industry flex its muscles last month when NRA held its first-ever Washington Public Affairs Conference. More than 200 restaurateurs converged on Capitol Hill to lobby for the industry.

The two-day conference (October 1, 2) combined sessions with influential national leaders, such as Senate Majority Leader Bob Dole (R-KS), with personal visits with members of the House and Senate to discuss foodservice issues.

Agriculture Secretary John Block, House Republican Whip Trent Lott (R-MS), Senate Majority Leader Bob Dole (R-KS) and House Budget Committee Chairman Bill Gray (D-PA) were just a few of the speakers NRA lined up for the first conference of this kind.'

Senate Majority Leader Bob Dole (R-KS) outlined the major issues affecting the Senate this fall, placing particular emphasis on deficit reduction, farm legislation and tax reform. Dole said that in his eyes reducing the deficit is much more important than reforming the tax code. He said that more cuts can be made in federal spending and that he agreed with the President that raising taxes should be a last resort.

Sen. David Durenberger (R-MN), left, with one of his constituents, NRA Director Jack Kozlak, right. Durenberger spoke to the conference about tax reform, emphasizing that Congress must consider reform's impact on investment, personal savings and consumption.

Conference goers also attended NRA's third annual fall congressional reception, where they had a chance to meet and talk to more than 150 representatives and senators and sample some of the Washington restaurant community's finest fare.

The theme for the conference was "Recipe for Action," which stressed involvement in the political process as the key to wielding influence in Washington. As NRA President Ted Balestreri told the group, "Restaurateurs can no longer ignore the impact federal laws have on their bottom line. We must become involved in the political process and work for a pro-

NATIONAL
RESTAURANT
ASSOCIATION
NRA
PUBLIC
AFFAIRS
CONFERENCE

House Budget Committee Bill Gray (D-PA) covered the events leading up to this year's bipartisan budget resolution, which calls for cutting the deficit by $276 billion over a three-year period. Gray said the deficit is a growing crisis that "will have a catastrophic effect on economic growth and productivity" if it is not resolved.

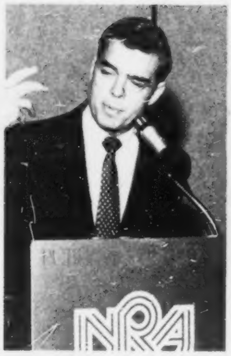
Susan Meisinger, Deputy Under Secretary of Labor, left

Dr. Sanford A. Miller, Director, Center for Food Safety and Applied Nutrition

Face-to-face meetings with members of Congress were one of the highlights of the conference. Here, NRA Associate Director Doug Fontaine, right, and restaurateur Bill Latham, left, meet with House Minority Whip Trent Lott (R-MS), center.

The business meal deduction and the Targeted Jobs Tax Credit (TJTC) were among the issues raised by conference attendees in their meetings with members of Congress.

Sen. Pete Wilson (R-CA), left, listens to a group of restaurateurs led by NRA President Ted Balestreri, far right.



Agriculture Secretary John Block discussed the plight of the American farmer and the pending 1985 Farm Bill, which will affect the price of commodities for years to come. Block said agriculture remains America's single largest industry and that the Reagan administration will continue to work to cut costly government support programs and seek more foreign markets for American commodities.

Rep. Trent Lott (R-MS)

Sam Donaldson, ABC News

business climate in Washington."

NRA staff briefed conference participants on the latest legislative and regulatory issues affecting foodservice, particularly President Reagan's proposal to limit the business meal deduction and to eliminate the Targeted Jobs Tax Credit (TJTC). A panel of regulatory experts in labor, health and food safety was also on hand to answer questions from restaurateurs.

ABC News White House Correspondent Sam Donaldson closed the conference with an insider's view of the Reagan administration.

Audience participation was encouraged during the general sessions, with each speaker allowing time at the end of his presentation for questions and answers.

Chef d'Oeuvre reception report

NRA's reception for members of Congress was a resounding success. It attracted 163 senators and representatives from more than 40 states. In a letter of thanks to NRA, Rep. Hal Daub (R-NE) wrote, "I enjoyed having the opportunity of meeting your representatives and seeing old friends."

Held in conjunction with the NRA Washington Public Affairs Conference, the reception offered conference attendees the opportunity to meet with their congressional delegations in a relaxed atmosphere.

"NRA must maintain high visibility on Capitol Hill," said NRA Government Relations Chairman John Farquharson. "This kind of event provides a forum for foodservice representatives to talk with their members of Congress about issues of importance to the industry."

The reception featured 13 of the Washington area's premier restaurants (see box), which donated their time and specialties to make the reception a culinary success. Some of the outstanding dishes included Tiberio's agnolotti and fried mozzarella, Morton's filet mignon and Dominique's traditional U.S. Senate Bean Soup (recipe below).

Rep. Sander Levin (D-MI), left, is greeted by NRA Vice President Jim Hasslocher and NRA Treasurer Michael Grisanti.

U.S. Senate Bean Soup

Serves 6

2 lbs. No. 1 white Michigan Beans
2 cups finely sliced onions
1 cup finely diced celery
½ cup grated carrots
1 ham hock, small
3 T. olive oil (optional)
chicken stock (optional)

Cover beans with cold water and soak overnight. Place drained beans in a large pot, and cover entirely with chicken stock or water. Bring to a quick boil. Add a small ham hock, onions, celery and carrots. Simmer slowly for about four hours until beans are tender but firm. Add salt and pepper to suit taste. Add olive oil and more chicken stock if necessary.

Just before serving, bruise beans with a large spoon or ladle, enough to cloud. If you wish, sprinkle each bowl with about 1 T. crisp, lean bacon. The bean soup should not be too thick.

Participating Restaurants

Celadon
Clyde's Old Ebbitt Grill
Dominique's
Four Ways
Hugo's at
The Hyatt Regency Hotel
Jean-Louis at
The Watergate Hotel
La Maree
Lion d'Or
Morton's
Sakura Restaurant
Taverna Cretekou
The Prime Rib
Tiberio Ristorante

NRA Director Robert Wood, left, with U.S. Reps. Bob McEwen (R-OH), center, and John Kasich (R-OH).

The Third Annual Chef d'Oeuvre Reception on Capitol Hill—featuring the best in Washington cuisine—brought together NRA members and their representatives in the House and Senate.

THE BOARD ROOM

Board members review issues at Board meeting.

NRA officers listen intently to committee reports at the fall Board meeting. From left: President Ted Balestreri, Vice President Jim Hasslocher and Treasurer Michael Grisanti.

The fall Board meeting in review

NRA's Board of Directors held one of three annual meetings at the J. W. Marriott Hotel in Washington, DC, September 28–30, 1985. Over the course of the three-day meeting, 15 committees and two task forces met to address NRA's activities over the coming months and to map out strategy to combat some of the pressing issues confronting the foodservice industry. Not surprisingly, regulatory and legislative measures loomed large in these discussions, and topics, such as the cap on business meal deductions and the elimination of the targeted jobs tax credit (TJTC), were foremost in the minds of the board.

The following are some items of interest covered in committee meetings:

The **State Relations Committee** reported that 36 state associations have adopted a "Resolution of Cooperation" with NRA, augmenting NRA's voice on national issues by 80,000 establishments. As a result of a committee motion, board members will present reports on NRA activities to designated state associations as frequently as possible and at least once a year.

The **Energy and Technical Services Committee** reported that a memorial scholarship fund has been established at Purdue University in the name of the late Andrew Poledor, NRA's director of technical services.

The **Membership Committee** reported that new NRA memberships for fiscal year 1984–85 approximated $450,000, up from $400,000 the previous year. Renewal income was $2.6 million, $200,000 higher than for the previous year. To enhance these efforts a new "member- get-a-member" drive with prizes will begin shortly.

In an effort to generate greater grassroots opposition to a Food and Drug Administration (FDA) sanitation test now being marketed by the Educational Testing Service, the **Education and Research Committee** recommended that NRA staff ask foodservice operators to express their opposition to mandatory testing to appropriate parties in state and local governments.

The **Convention Committee** reported that 1,131 contracts have been secured from companies for space at the 1986 NRA Show, and negotiations are continuing on the selection of a headquarters hotel for the 1987 Show. NRA Director S.J. "Bill" Monro (Pam Pam East Restaurant Enterprises, San Francisco, CA) and NRA Member Bill Anton (Anton's Loyal Opposition, Washington, DC) have been appointed to a subcommittee charged with selecting speakers for the 1986 NRA Show. The Convention Committee will continue its efforts to promote the NRA Wine Classic as a vital component of the annual event.

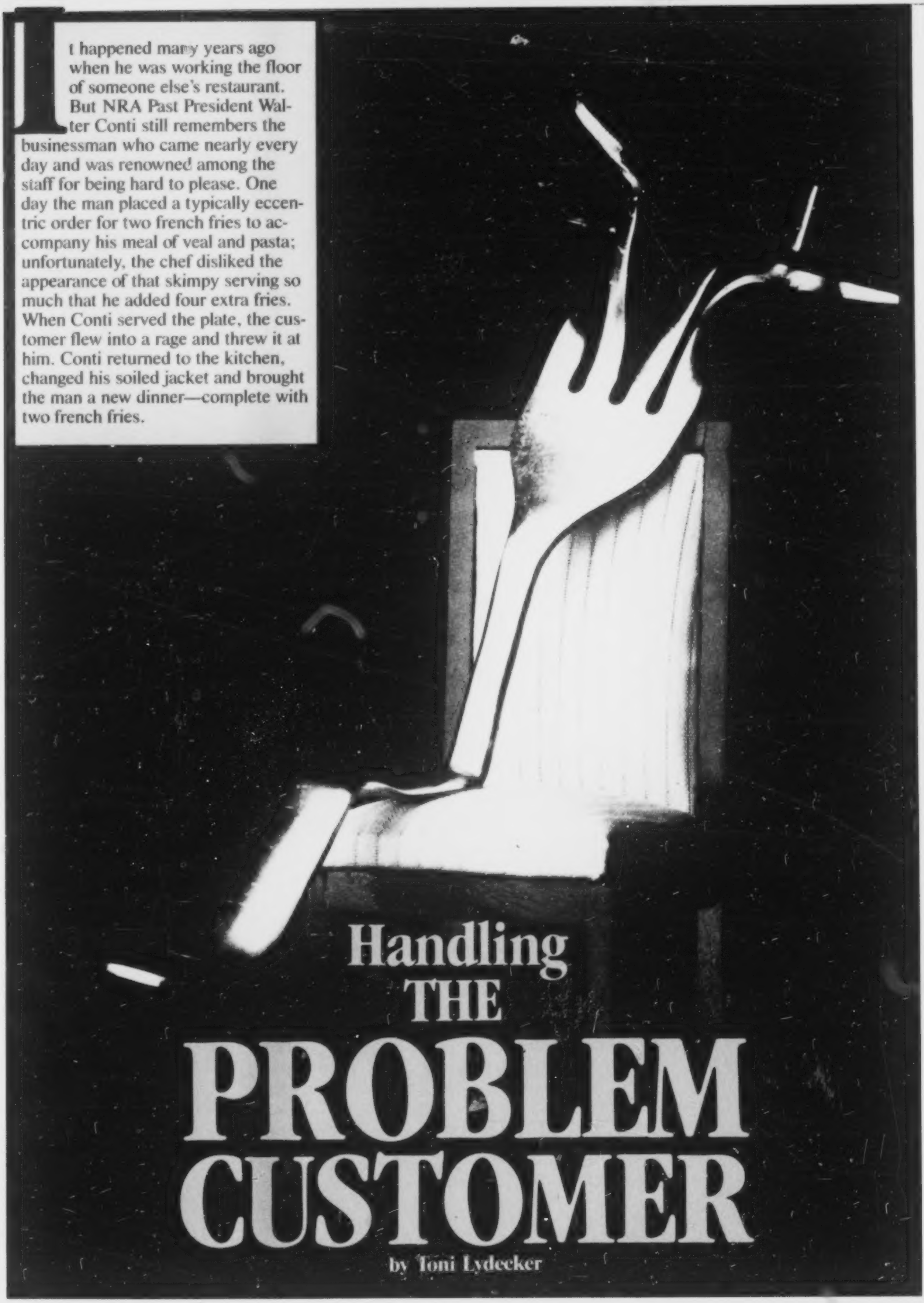
The **Communications Committee** reported that NRA will again participate in Operation:Prom/Graduation, an alcohol awareness program sponsored by NRA and three other Washington, DC, trade associations last spring. The promotion featured special events and discounts in participating establishments for graduating students who pledged not to drink and drive during the prom and graduation season. Information packets on this program will be distributed to NRA members in January. Unlike the earlier program, Operation:Prom/Graduation has been reorganized to allow restaurants to initiate the promotion on the local level.

The committee also continues its efforts to promote the foodservice industry's opposition to a business meal cap or any reduction in the business meal deduction.

The Communications Committee is also launching a special program on product and service liability, underscoring the fact that liquor liability is but one component of a wide-reaching liability problem that faces the nation. A cornerstone of the new program will be "National Symposium: The Crisis in Product and Service Liability" at the J.W. Marriott Hotel in Washington, DC on Wednesday, January 29, 1986. Sponsored by Pennsylvania State University in conjunction with NRA, the one-day symposium will feature speakers from the insurance, medical and legal communities, who will discuss the effects that escalating liability suits have had on their industry and the consumer.

—Dorothy Dee

It happened many years ago when he was working the floor of someone else's restaurant. But NRA Past President Walter Conti still remembers the businessman who came nearly every day and was renowned among the staff for being hard to please. One day the man placed a typically eccentric order for two french fries to accompany his meal of veal and pasta; unfortunately, the chef disliked the appearance of that skimpy serving so much that he added four extra fries. When Conti served the plate, the customer flew into a rage and threw it at him. Conti returned to the kitchen, changed his soiled jacket and brought the man a new dinner—complete with two french fries.



Handling THE PROBLEM CUSTOMER

by Toni Lydecker

Conti's total self-control not only restored dining room conditions to normal within a few minutes but also served as a quiet rebuke to the customer. Embarrassed by his own behavior, he never returned to the restaurant.

The lesson to be learned here, says Conti, is to keep your cool even when customers lose theirs. As owner of the 350-seat Conti Cross Keys Inn, Doylestown, PA, he has learned a few other tricks for handling problem customers:

- Train staff to watch for potential problems and to report them immediately to the appropriate manager—preferably one with good judgment and an even disposition. If time permits, the manager should be briefed before approaching the customer.
- In dealing with an irate customer, always say, "May I help you?"—not the more defensive, "Is something wrong?"
- If a dispute results in shouting or other unpleasantness, move the parties quickly into an area removed from other customers.

Nearly every restaurateur has at least one "war story" comparable to Conti's—an unusual dilemma that required quick thinking and a creative solution. A majority of situations fall into more predictable categories, however. The remainder of this article surveys some classic problem customers and solutions that work.

The customer who rejects food . . .

Someone with a legitimate complaint about food or wine is not a troublemaker; indeed, that customer has done the restaurant a favor by drawing attention to a flaw in need of remedy. The problem customer is the one whose complaint is without merit, the one you may suspect of trying to worm out of paying the bill.

Distinguishing between the two kinds of complaints is not easy. Ponderosa, Inc., a national chain based in Dayton, OH, responds to any food complaint, justified or not, by replacing the meal without charge. The 500-seat Angus Barn, Raleigh, NC, offers to substitute another item chosen by the customer even if it is more expensive than the original choice. "You may not make any money on that customer, but you've probably made a friend," comments owner Thad Eure, Jr., NRA Past President.

Other restaurants proceed on a case-by-case basis. "We take the food back to the kitchen and check it out—smelling, tasting, tearing it apart. If nothing is wrong, and perhaps we've served a hundred other portions of that dish without any complaints, we'll stick to our guns and charge the customer for it," says Gilda Alberini, owner of Alberini's Restaurant (600 seats; Niles, OH).

Ralph Evans, NRA director and owner of the 650-seat Evans Farm Inn, McLean, VA, remembers one woman who ate a serving of roast duck "down to the bone," then refused to pay on the grounds that it was really chicken. He eventually called the police, who compelled the woman to pay but only after a ruckus in the lobby. In retrospect, he advises against this strategy even though the customer was in the wrong.

Walter Conti agrees that letting a customer off without paying is better than risking a big scene. It's a "no-win situation," he points out, especially if the customer has consumed all the evidence. When feasible, Conti tries to persuade the customer to pay some part of the bill, such as the drinks.

At the 450-seat "21" Club, New York City, a customer may turn back a bottle of wine, perhaps because it is not to his taste or perhaps to impress a companion. Although the sommelier brings a replacement without argument, the customer is normally charged for both bottles if nothing is wrong with the original selection. When the patron receives the bill, the sommelier is nearby, prepared to discuss the matter quietly. "Often the money is not at issue. What matters is handling the incident so the customer is not embarrassed," says Sheldon Tannen, president of the company.

The demanding customer . . .

Food and wine are the most common grounds for customer complaint, but there are others. You're probably familiar with the customer who

- insists on a certain table, server or other special treatment,
- chafes at waiting for a table or arrival of the order,
- "doesn't like" the customers at the next table even though they are doing nothing objectionable or
- claims to have seen an insect.

By anticipating a customer's reactions, staff can head off some of these problems. A customer told immediately after arrival that her favorite table is occupied will probably accept the news calmly—especially with the reassurance that her regular server will be looking after every need.

Good communication can also help placate the impatient customer. When someone is waiting, 15 minutes can seem interminable. The host who jots down times of arrival and gives precise estimates of waiting time (rather than using phrases such as "in a few minutes") has a ready reply for a customer who erroneously claims to have waited 30 minutes: "According to my note, you arrived at 7:45, and it's now 8:00 . . ." Similarly, servers should make sure customers understand that the rack of lamb will require 30 to 40 minutes of preparation time rather than trusting to a menu note that may go unread.

Sightings of insects and other pests should be taken very seriously, or the local health authorities may be waiting on your doorstep the next morning. Should a customer spot an insect at the Evans Farm Inn, the company's admirable exterminator has a standing promise to (a) pay the customer's bill, (b) write the customer to explain that the exterminating company, not the restaurant, is at fault and (c) invite the customer back for another complimentary meal.

Although resolving a customer's complaint right away is usually best, there are exceptions to the rule—namely, when mollifying the customer might require a substantial cash outlay. A cautious reaction is in order when customers complain that their car was damaged in the parking lot, that a designer dress tore on a snag in the chair or that a dental plate broke on a bone in the food.

"Product liability is a growing problem for restaurants. If you sense that the person is after big bucks, don't try to settle the problem yourself," says Walter Conti. He recommends this procedure: Ask to see the cause of the problem, take the customer's name and telephone number and say that a representative of the restaurant will be in touch. Then turn the matter over to your insurance agent.

The customer who disturbs others . . .

Dealing with the person whose behavior interferes with other customers' enjoyment of their meals requires human relation skills of the highest order.

When a customer becomes loud or obnoxious, the manager should question servers and other staff to discover whether the behavior appears to be drinking-related. If so, the manager must find a way to remove the customer from the premises while protecting the restaurant from a potential liquor liability lawsuit. Nick's Fishmarket (200 seats; Chicago, IL) follows a sensible procedure. After sending word to the restaurant's parking attendant not to return a tipsy customer's automobile and keys, the manager arranges for the person to be taken home in a taxi or the company limousine.

An overly amorous couple may also offend other diners, but here the psychology is totally different. The couple would probably resent a stiff admonition that they are behaving improperly, says Tannen of the "21" Club. "We'd be more likely to adopt a light tone, to smile and say that three or four people have inquired what is happening at their table," he says. "Without being judgmental, we've put them on notice that they're not alone in the restaurant."

Restaurants also can be caught between customers who want to smoke and those who object. If this situation comes up frequently, designating separate smoking and nonsmoking areas may be the answer; alternatively, some restaurants prohibit cigars and pipes in the dining area but allow them in the bar.

A restaurant lacking such a policy must handle conflict between smokers and nonsmokers in an even-handed way. One restaurant owner describes what happens when the task is bungled. Following a fine meal in another restaurant, he and a friend began smoking cigars. When a customer two tables away complained, they volunteered to move to another table. The server moved them—to a location two tables on the *other* side of the offended customer. Moreover, the server openly sympathized with

A LOOK AT NO-PAYS

by Barbara Burtoff

At a posh Indo-Pakistani restaurant not far from the White House, a diner put down her dessert fork, took a last sip of coffee and signaled for her bill.

She got up from the table, placed her umbrella on her chair and indicated to the waiter that she would be right back.

He thought she was heading for the powder room. Instead, she went out the front door.

"It wasn't even a new umbrella," laments Maisie Krikliwy, part owner and director of Shezan, a 130-seat restaurant in Washington, DC.

At Maison Robert (250 seats), one of Boston's most elegant French eateries, a man engrossed in a business conversation put his bill in a jacket pocket and continued closing his deal as he and his guests walked out. Mortified by what he had done, he returned the next day with the bill, payment and apologies.

At Commander's Palace, a 92-table restaurant in New Orleans, LA, a young couple came in for dinner at prom time. When they were handed the bill, they realized they didn't have enough to cover it and asked co-owner Dick Brennan if they could bring in the rest the next day.

"They were so cute," says Brennan. "He had on a tuxedo. She had on a long gown. I told them the meal was on the house."

No-pays happen more frequently, say proprietors of some of the better restaurants, than most people would believe. Not so much because guests are after a free meal, but because they lose track of their cash flow in the rush of business and socializing.

"Basically, people are honest," says Ann Robert, co-owner of Maison Robert. Most customers who can't pay a bill, she says, are victims of an embarrassing situation. They had less money in their purses or wallets than they thought; they left their credit cards in a desk drawer, another handbag or suit jacket pocket, or, more commonly, they are told they have reached the credit limit on their charge card.

So what can customers do when they just don't have enough money to pay the bill?

Some clever souls have offered to leave collateral with the owner or manager until they could return with cash, travelers' checks, personal checks or credit cards. For example:

- "A gold watch," says Tony Greco, owner of the 500-seat Maison Blanche in Washington, DC. "The bill was about $100 and I knew the watch was worth more."
- "A George Washington University student's most valuable possession, his college identification card," says Diana Damewood, manager of Dominique's (200 seats; Washington, DC and Miami, FL). Tax-exempt cards—which can represent thousands of dollars in savings—have been offered by diplomats, says Damewood.
- "Their car or a member of their dinner party," says Irwin Sawitz, owner of Joe's Stone Crabs, a popular 380-seat restaurant in Miami, FL.
- Passports and drivers' licenses have been presented to Mel Krupin, owner of Mel Krupin's (200 seats, Washington, DC).

A boudoir rendezvous even was once proposed by a customer says a spokesman at Philadelphia's famous Old Original Bookbinder's (1,500 seats), who prefers to keep his identity anonymous. He turned down the offer.

In the movies, when someone can't pay the bill, it's off to the kitchen and a never-ending stack of dishes.

Not in real life, cautions Maison Blanche's Greco.

"Our dishes," he says, "are too expensive to let amateurs wash them."

There are other enterprising exchanges, however. One young man dining at Duke Zeibert's, a 400-seat restaurant in Washington, DC, who was short on funds asked owner Zeibert if he liked to play golf.

He did; in fact, he kept a putting iron by his desk. The young man then said he had been a professional golfer and offered Zeibert a putting lesson—on the restaurant's carpet—in exchange for the meal.

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the nonsmoker. As a result of a poorly handled situation, both parties left angry.

The pint-sized customer . . .

Under the watchful eyes of parents, most children behave reasonably well, restaurant owners report. But what about the occasional customers who enjoy their meals while their children race around the dining room? "We talk first to the children and, if that doesn't work, to the parents," says Ralph Evans, whose restaurant attracts many families. He suggests seating parties including children in the same general area rather than interspersing them with adults-only tables.

A steady flow of food can also help keep children in their seats, and happy. When small children are in a party, Marrakesh, a 160-seat Moroccan restaurant in Washington, DC, accelerates the pace of a multi-course meal normally requiring three hours to about one and one-half hours. "The waiters watch the table closely, and as each course is finished, they bring another. That way the children don't get cranky," says general manager Bashir Kouschkeji.

Customers who want to bring their families have an incentive to come on weeknights, when children's meals are half price; on weekends, when the restaurant is busier, there is no price break. The entertainment reinforces the message that the restaurant is primarily for adults, reports Kouschkeji: "The belly dancer begins her show at 9 p.m., and families with children usually don't stay."

The penny-pinching customer . . .

Few proprietors of a white-tablecloth restaurant are thrilled by the profit potential of customers who order salad as the main course during prime seating on Saturday night. This could happen because everyone is on a diet, but it could also happen because customers are trying to economize after misgauging the restaurant's pricing structure.

Occasionally customers are startled by the formality and high prices of Nick's Fishmarket. "Our name works against us because it sounds casual, the sort of place you might buy fried shrimp and clams. I've even had people come in trying to buy 10 pounds of raw fish," says manager Steve Karps.

Customers who have misjudged the restaurant may take out their frustration on the staff by complaining about anything and everything. "We try to bear with them and suggest some of the less expensive menu items," says Karps.

Better yet, the restaurant tries to keep this uncomfortable situation from happening in the first place. Because Nick's Fishmarket is well-known locally, it is usually out-of-towners who assume that it is moderately priced. To bridge the information gap, the restaurant periodically invites nearby hotel concierges and taxi drivers for a complimentary dinner. The visit equips them to give an accurate—and, it is hoped, enthusiastic—description to visitors who ask for a restaurant recommendation.

Another solution to the empty-pockets syndrome is to post a menu near the door as European restaurants do.

The customer who comes to stay . . .

Customers who feel so comfortable in a restaurant that they settle in for an extended stay are not necessarily a problem. Nick's Fishmarket has had customers who come for lunch, make a few telephone calls from the table, invite clients in for cocktails, eat dinner and stay until closing time. "In the rare cases where this happens, it is a very good customer. We do everything we can to accommodate the person," says Karps.

The dilemma arises when the customer stays long and spends little. "Sometimes I think half the deals that put Austin and San Antonio on the map were made in one of our booths," sighs NRA Vice President Jim Hasslocher, who owns a chain of coffee shops in Texas under the auspices of Frontier Enterprises in San Antonio. The business group that spreads out papers and spends hours drinking coffee in a restaurant can be a menace to the profit margin. So can the lonely customer who lingers, chatting with the server. Worst of all, says Hasslocher, is the customer who arrives during peak business hours, orders a soda and pulls out a brown bag lunch, or the one who opens a display case and begins trying to sell cosmetics to other diners.

A server who has established a rapport with the business group can tactfully ask them to vacate the table for an incoming group. Cutting off coffee refills is another way to signal that the party's welcome has worn thin. Tempering her firm tone with a smile, the server can make it clear to the lonely customer that she is too busy for unlimited small talk.

Tact would probably be lost on some abusers of restaurant hospitality; the brown-baggers and cosmetic hawkers should be told in no uncertain terms that their behavior runs counter to restaurant policy.

Solving the problem, keeping the customer . . .

In most cases, the restaurateur's goal is to get rid of the problem and keep the customer. Through its generous policy on replacing meals and prompt involvement of managers, Ponderosa, Inc. solves most customer-related problems at the local level. The chain's headquarters receives only a half dozen complaint letters each week, even though more than two million customers are served during that period.

When a letter does come in, the company follows a complaint handling procedure that has proven to be extremely effective:

- A company officer immediately sends the customer an apologetic letter, with a promise that a local or area manager will be in touch. A pass for a complimentary meal is enclosed.
- After investigating the complaint, the local manager calls the customer to resolve the problem.
- When the complimentary pass is used, its color alerts the cashier to the fact that the customer has complained. The manager is notified of the customer's presence and follows up to make sure the dining experience is a pleasant one.

When to cut your losses . . .

Ponderosa's complaint-handling procedure, like other strategies discussed in this article, usually pays off in a loyal customer whose future relations with the restaurant are cordial. Once in a while, however, restaurants encounter a repeat customer who is a chronic source of problems.

"We're all told when we enter the business that the customer is always right. It's not true, of course, and sometimes you have to decide where to draw the line," says Jim Hasslocher. "It's hard to tell customers it might be better for everyone if they took their business elsewhere, but sometimes that's the only way." ❑

THE PROBLEM CUSTOMER

Protecting Your Staff From SEXUAL HARASSMENT

by Anne Papa

A cocktail waitress at a busy downtown restaurant was having problems with a male customer who regularly sat in her station. The customer, a prominent business executive, made suggestive or lewd remarks whenever the waitress approached his table. Lately, he had even begun grabbing her arm as she served his drinks—and once he had gone so far as to pat her behind.

The waitress complained to the restaurant's owner about the problem. The owner evaluated the situation, taking into account the businessman's prominence in the community. He decided to "wait and see." The waitress could be blowing the whole thing out of proportion, he reasoned. Meanwhile, the problem continued to escalate. Finally, the situation got so difficult that the waitress resigned.

According to federal law, textbook cases such as this one constitute sex discrimination. But it is the restaurant owner, *not* the offending customer, who is the guilty party. Title VIII of the Civil Rights Act of 1964 and the Equal Employment Opportunity Commission (EEOC) guidelines of 1980 dictate that an employer is responsible for sexual harassment of employees by non-employees when the employer "knows or should have known of the conduct and fails to take immediate and appropriate action." In other words, although many operators are aware of their responsibility regarding harassment of employees by managers or co-workers, many do not know they can be held liable for their *customers'* actions.

What is sexual harassment? . . .

There is no cut-and-dried definition of sexual harassment. What one person considers harmless flirtation may be regarded as harassment by another. EEOC broadly defines illegal sexual harassment as "unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature." Although the majority of sexual harassment cases concern problems among supervisors and subordinates or co-workers, the problem of harassment by customers is a serious one—particularly in the hospitality industry.

"Waitresses—and sometimes waiters—are in a real Catch-22 situation," says Lauren Taylor, community education coordinator for the Washington, DC-based Women's Legal Defense Fund. Taylor, herself a former waitress, describes the predicament: The social nature of the restaurant industry creates an atmosphere that is conducive to intimacy. Yet servers whose livelihoods depend on tips hesitate to offend customers by being standoffish or accusatory. "Waitresses tend to shrug off unwanted advances or remarks, assuming it's 'part of the job,' " contends Taylor. "They don't recognize it for what it is—sexual harassment."

Although the definition of sexual harassment is ambiguous, the legal responsibility of an employer in a sexual harassment case is crystal clear. "'Immediate action' is the key legal phrase," emphasizes Richard Simmons, a Los Angeles, CA, attorney who specializes in defending employers. "If an employer does not act or hesitates to act on a complaint of sexual harassment, he can be found guilty under federal law of sex discrimination." Additionally, Simmons points out that many state and local ordinances also hold an employer responsible for sexual harassment by customers if no immediate corrective action is taken.

In ruling on such cases, courts take into consideration the employer's "degree of control," examining factors such as frequency of visits by the offending customer. If found guilty under the existing circumstances, an employer can be required to pay punitive damages.

Establish a written policy . . .

How can operators protect themselves against liability? Simmons recommends that one way is to establish a written policy that expresses intolerance of sexual harassment and outlines support of employees. "A written policy can't actually be used as a defense against liability," he acknowledges, "but it shows good faith and can possibly protect an employer from punitive damages." Simmons says the policy should also outline a system management can use to investigate complaints immediately and resolve them before they escalate.

New employees at Sage's Restaurants, four upscale establishments (averaging 125 seats) in Chicago, IL, receive a 40-page employee manual the day they are hired. "We state clearly in black and white that customers can do no wrong—*except* in cases where they disturb other customers or abuse or sexually harass staff members," says restaurateur Eugene Sage. Sexual harassment in Sage's manual is defined as innuendos, unwelcome touching or overt sexual advances.

Michael Robinson, general manager of Tumble Brook Country Club (Bloomfield, CT; 390 seats) underscored his company's position on sexual harassment by drafting a specific memo and including it in employees' paycheck envelopes. The memo outlines Connecticut state laws regarding sexual harassment. It states that all Tumble Brook employees could expect to work in "security and dignity and are not required to endure insulting, degrading or exploitative treatment." Employees were advised to refer any problems to their employee relations officer who would then take necessary action. "After its original dissemination, the memo became a permanent part of the employee manual," Robinson says.

Follow up with action . . .

Once a policy has been established, it is crucial that operators back their words with immediate action when an employee complains of sexual harassment. Even if the complaint is made by a third party—a waitress observes her co-worker having problems and reports to management—corrective action should be taken immediately.

At Sage's Restaurants, Eugene Sage instructs servers to notify management at the first sign of a problem. Managers are instructed to handle each situation on a case-by-case basis with three main options. First, give the offending customer another server, usually replacing a woman with a man (or vice versa). Second, change servers *and* politely but firmly reprimand the customer. As a last resort, managers are to ask the offending customer to leave.

At The Grill Restaurant (Portsmoth, NH; 200 seats) most of the waitresses are extremely adept at handling sticky situations. Observes Debbie McClure, personnel manager, "The older waitresses in particular are able to head off problems themselves without offending anyone." She adds that younger, newer waitresses initially need direction, but they, too, can usually take care of themselves. Therefore, when a problem is brought to a manager's attention, the offending customer is generally told to leave. "If it was bad enough for a waitress to complain to management, then we don't want that customer in our restaurant," McClure reasons. Immediate action also shows the wait staff that management respects their judgment and is 100 percent behind them.

Never minimize the issue . . .

Beyond establishing a written policy or reacting to specific situations, operators should advise employees on a regular basis that *a)* situations regarding sexual harassment may arise and *b)* if they do, employees have the full support of management. "Never minimize the problem or pretend it does not exist," advises Simmons. Michael Robinson of Tumble Brook Country Club agrees: "An employer who sticks his head in the sand and says it will never happen in his restaurant is not being realistic." It is important, Robinson believes, to always keep communication lines open so neither management nor employees will ever feel uncomfortable with the subject.

Elio Bellucci, a professor at Florida International University's School of Hospitality Management, maintains that managers of today—and tomorrow—*are* more attentive to the issue. In fact, he teaches an entire course devoted to the subject. "Students are recognizing the effect sexual harassment has not only on staff but on managers, on owners—the entire operation as well," he says.

As an example of the growing awareness of the problem, Bellucci cites the industry trend away from revealing uniforms for wait staff. "These days, operators are less likely to require provocative uniforms," he reports. "They can no longer afford to put their waitresses in the position of possibly 'asking for it.' " Indeed, even if revealing uniforms are worn, they are not made a condition of employment: at El Torito Georgetown (Washington, DC; 300 seats), for instance, cocktail waitresses who are uncomfortable in the required short skirts are reassigned to lateral positions elsewhere in the restaurant.

In sum . . .

As recognition of the problem grows, operators are taking steps to prevent customer sexual harassment from occurring in their restaurants. These precautions can protect operators from legal liability. But, equally important, they preserve a pleasant, dignified working environment for employees. ❑

5 SNAPPY COMEBACKS

When customers get rude, lewd or just overly friendly, sometimes the best tack to take is a little creative table turning. When customers are on the prowl, sometimes the best way to handle them is to outsmart them.

1. Tom Wotherspoon, a former server in Los Angeles, CA, says his favorite comeback for come-ons from female customers was to call their bluff. "They never expected it," he says with a devilish grin. When one woman whispered to Wotherspoon that what she wanted wasn't on the menu, he whipped off his apron and sat down beside her. "I told her, 'Fine, I'm all yours.' She wasn't ready for that one."

2. A waitress at a restaurant in Knoxville, TN, was being bothered by a regular customer who knew the serving staff liked to hang out after work at a nearby 24-hour pancake house. After dropping a few subtle suggestions that he'd like to get to know her, he asked if she'd like to meet him at the pancake house after her shift. She paused, looking him over from head to toe. "Actually," she said, "I'd rather have a waffle."

3. One night a waitress at a Greensboro, NC, restaurant was being pestered unmercifully for a date by an obnoxious customer. She politely told him several times that she wasn't interested, but he wouldn't give up. Finally, she decided to try another approach. "I told him that if he didn't stop, I was going to burst into tears," she says. "He felt so bad that he left me a $30 tip."

4. Former server Jed Spingarn remembers the night he was busily clearing tables and lighting candles at Nikki & Kelly's in New York City. At one point he walked up to a table of men and asked one of them, "May I light your candle, sir?"

"Ooh, I wish you *would*," the man replied. Spingarn was caught off guard by the response but just laughed and lighted the candle. "There you are," he said.

"Sometimes playing innocent works better than anything else," he says.

5. A waitress at the 9th Street Deli in Columbia, MO, was catching so much abuse from a rowdy college crowd that she finally decided to retaliate after one of her customers winked at her. "Do you have something in your eye, sir?" she asked. The winker, who was with a group of his friends, got so flustered that he ordered more than $15 worth of deli food, even though he had wanted only a sandwich.

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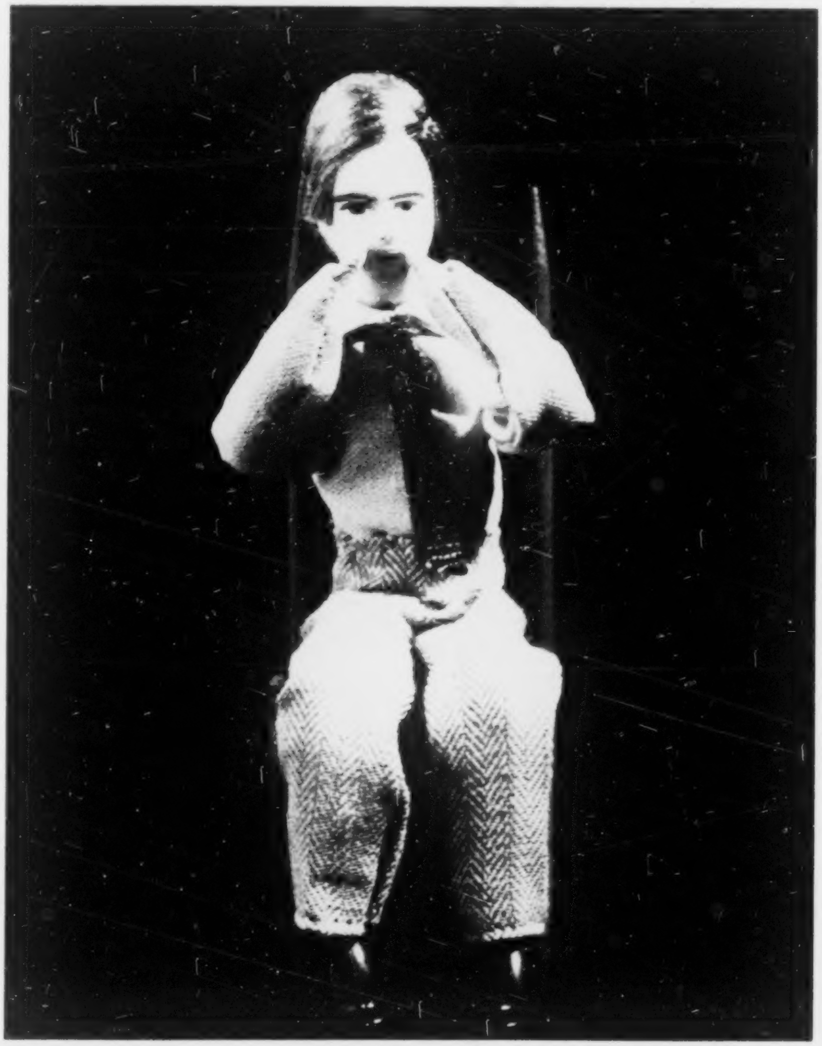
CUSTOMER RIGHTS

A Look At Some Legal Obligations



Most disgruntled customers are annoyed at poor or intolerably rude service or food they feel is not up to the price. "Each week a few of these patrons call NRA to complain, believing NRA has some sort of policing power over its members," says NRA Legal Counsel Robert Palmer. "Customers say, 'There ought to be a law that addresses my problem,' but frequently there isn't one." In most cases, the customer's only real weapon is telling others about their experiences. However, customers do have rights, covering matters as major as food safety and as minor as dress codes. Here are some common areas of customer conflict and how they can be resolved legally.

Food safety. The most serious customer complaints result from contaminated food or from injuries suffered on the premises, and patrons in these situations have a great deal of law on their side. "However," explains Jon McConnell, professor at Washington State University, Pullman, WA, "customers generally must prove negligence or, in other words, carelessness. They must show that the operator carelessly allowed a hazard, such as poisoned food or a slippery floor, to exist."

An operator will be held liable for improper handling or for foreign objects in food, even if the particular problem can be traced back to a processor or distributor. Though some courts have carved a small exception for hazards occurring naturally in some types of food, such as bones in fish or chicken, it is important to handle and inspect food carefully to avoid customer complaints or suits over food safety.

A customer's medical emergency is always a dreaded event and one for which food servers should be prepared. Training in first aid or choking assistance is valuable, and courts are moving to encourage people to help by freeing them of responsibility for further injury to the stricken person as long as they act carefully. The safest move from a legal standpoint may still be to summon and wait for professional medical assistance. Obviously, that is not always possible, especially in situations where immediate action is required.

The operators should also be attuned to physical hazards—frayed or loose carpeting, wobbly steps, crumbling chairs, changes in floor level, cracked or icy sidewalks, dropped forks and types of tableside food preparation which can be dangerous to patrons.

A few recent court cases have extended the hospitality operator's sphere of responsibility by requiring reasonable efforts to protect customers from muggings in parking or sidewalk areas adjacent to the establishment. This is especially true for businesses in high-crime areas or those with a history of previous incidents on or near the premises.

Disorderly conduct. Your customers themselves may be hazards. Operators are responsible for maintaining an environment free of violent or abusive patrons. They have broad rights to eject objectionable persons as long as only the minimum necessary amount of force is used. Whenever possible, contact the police to remove problem people from your establishment; such customers certainly have no "right" to disrupt your business.

Many operators try to avoid these difficulties by establishing house rules, dress codes or other policies meant to control customer behavior. These rules must be reasonable, not arbitrary and capricious. For example, a coat and tie rule would be unreasonable at a carryout. Many rules, such as those prohibiting pets (except seeing-eye dogs), bare feet, disorderly conduct or underaged drinkers, are easily justified in the interests of patron safety or local law. Most other types of rules are permissible as well as long as they are reasonable and are not differentially applied on the basis of race, sex, religion, national origin or other factors covered by public accommodations and anti-discrimination laws.

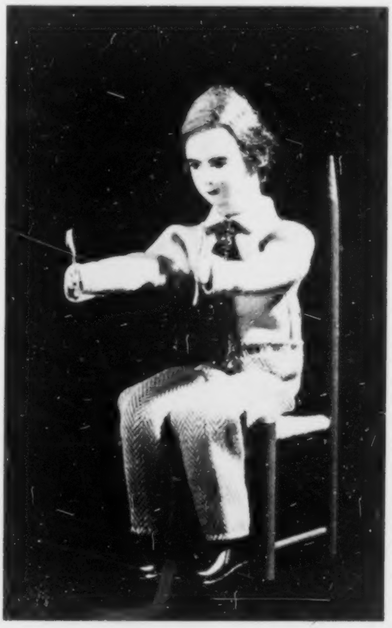
Much objectionable customer behavior is caused by alcohol. Operators have become more aware of patron consumption as public clamor over drunk driving continues and insurance claims and premiums mount. Here again, the operator's legal obligation to prevent overconsumption easily overrides the customer's desire to drink to excess. As courts and legislatures expand liquor liability, an operator's responsibility increases to an extent undreamed of in past years.

"Most restaurateurs think they have done their job when they cut the customer off," says Anthony G. Marshall, dean of the School of Hospitality Management at Florida International University, Miami, FL, "but they are liable for the customer in the car as well."

Paying for a patron's taxi ride home is one practice becoming more common. Some more aggressive techniques, such as taking the patron's car keys or even reporting a departing driver to the police, are also used under severe circumstances. But the best policy here is prevention—curbing a patron's consumption before it becomes a problem.

The dining experience. Of course, there are problems which are less deadly but still annoying. Most of these matters involve contract law although few of them are significant enough to reach the courts. A dinner reservation is a contract, for example, in which the operator promises to provide a table and the customer promises to show up, both acts to occur simultaneously at a set time. This type of contract is frequently breached by one side or the other, and operators are now taking action—requiring deposits, for example. On the other side, customers can get upset when the restaurant fails to uphold its end of the bargain, but since they don't usually suffer economic damage as a result, the complaints stop short of legal action.

Patrons' personal property is a more serious problem area. If the operator takes physical possession of the property—for example, through an attended checkroom or valet parking arrangement—then the operator will be liable if the property is lost, stolen or damaged. If, however, the customer hangs his own coat or parks his own car and particularly if the customer is notified that management takes no responsibility for personal property, then liability will generally not attach. But remember that such a disclaimer will be invalid if you or



USING TIME ELEMENTS TO PERSONALIZE SERVICE

by Alan Kluge

Most operators would agree that personalized service is a key ingredient for generating repeat business. When a customer feels that his or her needs have been addressed by a foodservice establishment, that person develops a positive mental image of the operation which is likely to result in repeat business.

Timing can be used to improve the perceived level of personalized service. The four elements of time that directly affect the customer are duration, sequence, timing and tempo. Duration refers to how long the dining experience is expected to take from beginning to end. Sequence refers to the order in which the service is delivered. Timing refers to the coordination between the foodservice staff and the customer's needs. Tempo refers to the pacing of activities through the dining process.

Too often foodservice operators set each of these four elements for their own convenience and efficiency. However, what is best for the operation is not always best for the customer. Different customers have different needs with respect to these four elements. It is up to each server to identify what those needs are.

Duration. When customers enter a foodservice facility, they have a preconceived notion of how long the dining experience is going to last. This is obvious for breakfast and lunch when customers often need to go to work after the meal. However, it is equally important in the evening for dinner or cocktails, as patrons may have other plans afterwards as well.

Recognizing and honoring the individual's time schedule provides a strong perception of personalized service. At tableservice restaurants this often means that at the beginning of the meal the waitperson asks, "Is there a certain time you need to leave this evening?" to insure that any time limits are met. In a fast food restaurant it is equally important to keep customers informed when service will take longer than normal.

Sequence. Customers like to have some degree of control over the sequence of events during a meal. Providing customers with options, such as asking them when they wish to order, whether they prefer to order all at once or a course at a time, or when beverages and accompaniments are to be served, provides customers with the ability to sequence the meal according to their own needs.

Timing. Proper timing implies that service is offered at precisely the exact moment that it is desired by the customer. In foodservice operations when a customer wishes attention, each second that goes by without notice makes the customer feel less and less important. This translates most directly to staying attentive to the guest's needs.

Through training, observation, practice and experience the wait staff needs to develop the ability to anticipate a customer's needs. By staying in visual contact with the customer, servers will receive cues about when to approach a table and when to leave it alone.

Tempo. When service is too slow, the customer may feel ignored. When service is too fast, the customer may feel rushed. The goal of successful foodservice operations should be to provide service at a tempo which best meets the needs of the guest. Of the four time elements discussed, tempo may be the element most often abused in foodservice operations.

All too often the tempo is set by the mood of the wait staff or by the skills of the kitchen and not by what the customer needs. The service system must be flexible enough to allow for different tempos of food delivery. Whether applied to the timing of courses in a full-service dinner house or the clearing of tables and taking of drink orders in a pizza parlor, the tempo of service must be such that it occurs at precisely the time desired by the customer.

In almost all situations it is to the foodservice operator's advantage to improve the perception of "personalized service" by the customer. Not only does it allow for greater customer satisfaction, but it also increases repeat business and provides a competitive edge over other operations not offering the same level of service.

E. Alan Kluge is assistant director of the Hotel, Restaurant and Tourism Management Program at Oregon State University in Corvallis, OR.

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your employees take physical possession of personal property.

Beware, too, of a quirk involving lost property. If a patron leaves behind personal property and the operator or an employee finds it, the operator has then taken possession even without any intention of doing so. This means that if the property is lost again before being returned to its owner, the restaurant will be responsible.

There are also truth-in-menu considerations. Several states and localities have passed laws in this area, and customers are becoming more sensitive to the descriptions on restaurant menus. Be particularly careful of getting into menu battles over fresh vs. frozen foods or the geographic origin of certain items. These laws carry fines. Even in the absence of a law, clear, honest descriptions of the food, in words or in pictures, are a good way to avoid customer overexpectation. NRA's *Accuracy in Menus* brochure can provide advice.

Finally, one of your occasional patrons may be a restaurant critic, and after a bad review, you may wish to defend your rights by filing suit. "Don't," advises NRA's Palmer. "No restaurateur has ever sued successfully," he says. "You'll have a difficult time proving that the review is directly responsible for any economic damage you may have suffered. You'll also have difficulty proving that the critic lied about his dining experience, and you'll find the subjective aspects of any review difficult to attack. Worst of all, you will find the negative quotes re-printed and broadcast to a wider audience than reached by the review itself. The frustration is understandable, but the opportunity for shooting yourself in the foot (or cash register) is substantial." ❑

VIEWPOINT

IS YOUR RESTAURANT READY TO BE REVIEWED?

by Harold V. Shumacher

How not to lose points the next time a restaurant reviewer visits your operation.

For 10 years I was a professional restaurant reviewer in Atlanta, GA. After visits to more than a thousand eateries and writing more than 500 weekly columns and two guidebooks, I have learned one basic fact about our industry: No matter how hard you work, there will always be something you miss. The trick is to put out as many fires as possible. Here are some of the warning signs you can learn to spot yourself.

No mystery ingredients. First, and foremost, of course, is the quality and presentation of the food. The food has to look and taste good, and it should be what the menu says it is. I don't mind paying for mushrooms stuffed with crab, but when you run out of crab, don't substitute without telling me. Today's restaurant goer is sophisticated and has a great concern for value and quality.

Good food served well. Good food begins with good ingredients. Considering the incredible growth of the food distribution industry, there is little or no excuse for serving canned or frozen vegetables or frozen meat or fish. Equally important is that the food be prepared correctly. When I am given a choice, I expect a restaurant's kitchen to meet my expectations. Lukewarm or improperly chilled food, appetizers or entrees served without the appropriate silverware or condiments, plates with smudges on the rims and waiters that have to ask who gets what entrees are some other sure-fire ways to incur the wrath of your local reviewer and your customers.

A signature dish. When I was a reviewer, I entered a new restaurant with a sense of excitement expecting and, yes, even wanting it to be good. I always found it much easier to write a review of a positive experience rather than having to agonize over a negative review that might affect someone's business. However, whenever a waiter puffed himself up to his full height and told me that "everything was good," I generally knew I was in trouble. Seldom, if ever, is everything listed on the menu equally good. Something has to be better. A restaurant should have at least one signature dish its staff can point to with pride.

What happens to complaints? One final aspect about judging a restaurant's fare is how well complaints about food quality and preparation are handled. Does the waiter or waitress have the latitude to substitute one dish for another or delete an item from the check? If a manager is the only person who has that responsibility, is he or she readily available?

While the quality and presentation of the food are the most important aspects of a restaurant's success or failure, there are some other warning signs to look for.

No "cook wanted" signs in the window. The foodservice industry may be the only one in the world to advertise for a senior vicepresident, the corporate equivalent of a chef, by hanging a sign in the window or advertising in the classifieds. Whenever I see a "help wanted" or "cook wanted" sign in a restaurant's window, I usually dine elsewhere. "Under new management" is another red flag.

The dumpster test. When I review a restaurant, I try to park by the kitchen door. The cleanliness of the back parking lot, the dumpster and the area around the kitchen entrance are generally a good indication of the professionalism displayed by management. Close scrutiny of the parking lot for burnt-out lights, cracks in the pavement, beer cans nestled in the

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shrubbery and faded signs can provide other clues of management neglect.

The first 20 seconds. First impressions tend to be lasting impressions. I like to be noticed when I walk in. If I have a reservation, I like my table to be ready at the agreed upon time. If there is no reservation, I expect the hostess or maitre'd to record the time I arrived and give me an accurate estimate of how long it will take to be seated.

The seat test. Meeting planners talk about two, four and eight-hour seats. How comfortable are your seats? And what view does the customer see from the worst seat at the worst table in your restaurant?

The bathroom test. Opinion polls conducted by the NRA have consistently demonstrated that cleanliness is one of the most important criteria customers use to evaluate a restaurant. Since most customers never see the kitchen, bathrooms tend to be a reflection of the entire operation. Does someone inspect the rest room at least once a night? Are the facilities easy to find? If you have a sizable number of female guests, you might want to consider including amenities, such as cotton towels and scented soaps in your rest room. If you cater to a family trade, make sure the bathroom counter is wide enough to hold a baby ready for a diaper change.

Service, service, service. Your waiters and waitresses represent you and your restaurant every time they appear at a table to take an order or serve a dish. Are they salespeople or order takers? Are they knowledgeable about the menu and able to explain your house specialties?

Over the past decade, I have observed four basic types of servers.

- The first and best kind are the *pros:* those individuals who take pride in their work, care about their customers and serve them without having to ask who gets the chicken salad.
- The second type of server are *menu reciters*. My major complaints about these servers are that they conveniently forget to include the prices of those alluring daily specials and the chalkboards they dangle are frequently too smudged to read.
- The third type of servers are *fawners* who seem ready to pull up a chair and share my meal. If I want company for dinner, I'll invite a guest. I don't want to tell my life story to someone I just met.
- Perhaps the most bothersome servers, however, are the *Houdinis:* the waiters and waitresses who disappear after the entrees are served and don't show up again until it's time to leave.

The dishwasher blues. If servers are in the habit of blaming the kitchen for mistakes or use the old saw "we're busy," I automatically deduct points. As long as I am paying full dollar, I don't want to hear excuses. There are so many places to dine today that I don't particularly care to have an "I'm sorry" served with my entree.

Is departing sweet sorrow or agony? I'm particular when I spend my money. I want someone to thank me for doing business with them. Is as much attention paid to the guest on the way out of your restaurant as when they enter? Once the check is paid, are water glasses and coffee cups refilled? Are customers permitted to linger? Is there a guest comment system in place? It can be as simple as a manager inquiring if everything was all right to a pre-paid mailer. Is there a mailing list or a newsletter to keep customers informed about interesting promotions and special events at your restaurant? ❑

Critics sound off on problem restaurants

✎ Problem customers can drive restaurant staff up the wall, but there are two sides to every story. Here's what several prominent restaurant reviewers had to say about problem restaurants:

"My biggest complaint is restaurants that don't honor my reservation—not because there was a misunderstanding, but because they are badly overbooked. . . .

"Service has deteriorated incredibly over the past few years. Half the waiters in New York are actors waiting for their big break—they could act out the role of waiter beautifully, if they only would. . . .

"This is the USA—menus written in French or Italian should be translated."

—Marian Burros, food columnist, *The New York Times*

✎ "It drives me crazy when the maitre d' or waiter treats me as my male client's date. I ask for the wine list—it's given to the client. I ask for the check—the client gets it. I also think it's sad when, in this day and age, a group of women dining together are treated like second-class citizens. The same is true for a woman dining alone. . . .

"I've never cottoned up to what I call 'American service'—the waiter who says, 'Hi, I'm Joe.' I'm never sure whether to give the order or invite him to join us for dinner. . . .

"If there are more than two specials, they should be in printed form rather than having the waiter recite a long list no one can remember. It's too easy to get something unexpected because the sauce you thought went on the scallops actually goes on the swordfish."

—Ellen Brown, author, *Cooking with the New American Chefs*

✎ "It's annoying, when you're having a business meal and want to talk, to have to monitor the service all the time. Chefs are now working in an occupation that people admire, and that's led to a growing level of professionalism in the back of the house—but not in the front. Waiters take little pride in their work; they don't expect to do it for a lifetime. And managers respond by saying they can't spend time training people who won't stay. . . .

"I despise those computer-generated checks that compute a separate tax for each item ordered. At the end, all you get is the total, with tax included. It's nearly impossible to compute the before-tax figure, which is what the tip should be based on. So customers end up overtipping."

—Stanley Dry, restaurant columnist, *Food & Wine Magazine*

✎ "What annoys people most is having to wait when they've reserved a table, then seeing a celebrity or friend of the owner slipped in ahead of them. . . .

"Restaurateurs should recognize that the classic American darkened restaurant is out of style. People want to see their food—and each other."

—Rose Dosti, restaurant reviewer, *The Los Angeles Times*

National Restaurant Association
Education Programs

January-June 1986

New NRA Educational Programs

The National Restaurant Association is pleased to present its January-June 1986 Education Programs Schedule. For your convenience, we have listed our education programs three ways: by category, by date, by location. This will make it easier for you to decide which courses best suit your needs.

In our **Basic Foodservice Series**, we include educational programs on the fundamentals useful to the majority of the industry. In the **Food Production Series**, we offer both basic and advanced food preparation seminars and workshops. The **Foodservice Management Series** is generally designed to suit the needs of a more advanced or specialized audience.

In 1986, NRA is unveiling several new seminars. The **Foodservice Operators' Legal Workshop** will give you the necessary information for dealing with the problems and issues of the foodservice industry. **Beverage Management** will explore this area of your operation in detail from liquor liability laws and promotions to maximizing profits. In **Business Dynamics for Women in Foodservice: The Path to Inspired Leadership**, we will take an indepth look at how to take advantage of one of the fastest growing management segments. **Wine and the Bottom Line** will show you how, by understanding the product, you can increase both food and beverage sales. Anyone contemplating expanding their operation should not miss NRA's **Negotiating for, and Financing, Foodservice Facilities** seminar.

Video Training will also be added to the list of services provided by NRA education programs this year. If a picture is worth a thousand words, then each

SEMINARS BY TOPIC

FOODSERVICE MANAGEMENT COURSES

Banquet Management

2/3	Lexington, KY
2/26	Denver, CO
4/3	Portland, OR
4/5	Seattle, WA
4/14	Boston, MA
6/24	Milwaukee, WI

Beverage Management

2/25-26	Newport Beach, CA
3/3-4	Boston, MA
5/17-18	Chicago, IL
6/10-11	Oklahoma City, OK

Business Dynamics for Women in Foodservice

2/6	Washington, DC
4/21	Denver, CO
5/18	Chicago, IL
6/2	San Francisco, CA
6/4	Anaheim, CA

Applications for Computers in Foodservice: Integrating the System

4/28	Newark, NJ
5/18	Chicago, IL
6/9	Phoenix, AZ
6/11	Portland, OR

Introduction to Computers in Foodservice

2/17	Raleigh, NC
3/3	Providence, RI
3/10	Newark, NJ
5/17	Chicago, IL

Creative Buffets

3/4	Boston, MA
3/10	Portland, OR
3/11	Seattle, WA
3/27	Rochester, NY
6/9	Denver, CO
6/11	San Francisco, CA

Employee Motivation

3/4	Williamsburg, VA
3/6	Gatlinburg, TN
5/6	Cape Cod, MA
5/8	Bethesda, MD
6/17	Seattle, WA
6/19	Denver, CO

Food Cost Management

1/20	Jacksonville, FL
1/22	Atlanta, GA
2/25	Minneapolis, MN
2/27	Cleveland, OH
3/5	Williamsburg, VA
3/21	Salt Lake City, UT
4/22	Portland, OR
6/3	Boston, MA

Foodservice Operators' Legal Workshop

2/4	Boston, MA
3/2	Washington, DC
3/5	San Francisco, CA
3/21	Denver, CO
5/18	Chicago, IL
6/10	Philadelphia, PA
6/16	Miami, FL

Menu Development

2/26	Baltimore, MD
3/24	Tucson, AZ
4/22	Albany, NY
5/17	Chicago, IL
6/4	Toronto, Ontario, Canada
6/17	Miami, FL

Negotiating for, and Financing, Foodservice Facilities

2/6-7	San Francisco, CA
3/26-27	Fort Worth, TX
5/17-18	Chicago, IL

Off-Premises Catering

2/10-11	Toronto, Ontario, Canada
3/24-25	Vienna, VA
4/14-15	Austin, TX
5/17-18	Chicago, IL

Operational Analysis

2/25-26	Madison, WI
3/25-26	Minneapolis, MN
4/21-22	Charlotte, NC
6/16-17	Miami, FL

Real Estate and Restaurant Site Selection

1/21-22	Monterey, CA
2/10-11	Chicago, IL
4/7-8	Louisville, KY
6/16-17	Birmingham, MI

Restaurant Design and Facilities Planning

3/24-25	San Diego, CA
4/28-29	St. Paul, MN
5/17-18	Chicago, IL
6/9-10	Atlantic City, NJ

Planning and Implementing Restaurant Marketing Strategy

1/22-23	Houston, TX
2/25-26	King of Prussia, PA
3/26-27	Portland, OR
4/21-22	Denver, CO
4/30-5/1	Miami, FL
5/17-18	Chicago, IL

Wine and the Bottom Line

4/9	Washington, DC
4/15	Chicago, IL
5/5	Detroit, MI
6/9	Cincinnati, OH

TeamWork-Boston

3/3	Dining Room Management
3/3	Soups and Sauces
3/3-4	Beverage Management
3/4	Creative Buffets
3/4	Tools for Training

TeamWork-Denver

4/21	Business Dynamics for Women in Foodservice
4/21	Soups and Sauces
4/21-22	Planning and Implementing Restaurant Marketing Strategy
4/22	Kitchen Management
4/22	Basic Supervision in Foodservice

TeamWork-Miami

6/16	Foodservice Operators' Legal Workshop
6/16	Dining Room Management
6/16-17	Operational Analysis
6/17	Kitchen Management
6/17	Menu Development

offered

of NRA's new training videos is worth an entire shelf of training books. NRA **Video Training** provides comprehensive training, ready-made employee orientation, consistent instruction in high turnover jobs and continued skills development. The first series of NRA **Video Training** focuses on wait staff training, suggestive selling, teamwork and service.

Also included in this schedule is the NRA's 1986 January-June National Conferences. The standards we have set for these conferences reflects the association's commitment to maintain excellence throughout all our activities.

We will be happy to provide you with more detailed information on any of the programs which interest you. Programs are also available on an "in-house" basis.

Let us help you plan for growth. Train today, profit tomorrow.

BASIC FOODSERVICE COURSES

Basic Supervision in Foodservice

2/25	Burlington, VT
3/10	Shreveport, LA
4/22	Denver, CO
5/6	Richmond, VA
5/17	Chicago, IL
6/24	Charleston, WV

Dining Room Management

1/21	Springfield, VA
1/27	Orlando, FL
2/3	San Antonio, TX
2/4	Austin, TX
3/3	Boston, MA
3/5	Springfield, MA
3/10	Grand Rapids, MI
3/11	Kansas City, MO
4/14	Buffalo, NY
4/15	Syracuse, NY
5/18	Chicago, IL
5/27	Rockville, MD
5/29	Charleston, WV
6/11	Owensboro, KY
6/16	Miami, FL
6/24	Portsmouth, NH
6/26	Stamford, CT

Kitchen Management

1/21	Fort Worth, TX
1/28	Cincinnati, OH
2/4	Springfield, VA
2/6	Atlantic City, NJ
2/27	Indianapolis, IN
3/11	Calgary, Alberta, Canada
4/7	Portland, ME
4/22	Denver, CO
4/24	Annapolis, MD
5/5	Newport Beach, CA
5/6	Ventura, CA
5/13	Halifax, Nova Scotia, Canada
5/17	Chicago, IL
6/11	Omaha, NE
6/17	Miami, FL

People-Power and Profits: How to Hire and Manage for Success

2/11	Columbia, SC
3/27	Fort Worth, TX
4/9	Columbus, OH
5/13	Seattle, WA
5/18	Chicago, IL

Tools for Training

3/4	Boston, MA
4/7	Newark, NJ
4/8	Atlanta, GA
5/7	Ogden, UT
5/17	Chicago, IL
6/24	Wilmington, DE
6/25	Annapolis, MD

FOOD PRODUCTION COURSES

Perfecting Your Culinary Skills

1/28	Kansas City, MO
2/4	Tampa, FL
2/24	Cincinnati, OH
4/8	Richmond, VA
5/12	San Francisco, CA
5/14	Ventura, CA
5/29	Hyde Park, NY
6/10	Washington, DC

Simplified Baking Workshop

2/27	Portland, ME
3/11	Baltimore, MD
4/29	Atlanta, GA
5/6	Appleton, WI

Soups and Sauces

1/20	Van Nuys, CA
3/3	Boston, MA
3/4	Philadelphia, PA
4/7	Minneapolis, MN
4/8	Indianapolis, IN
4/21	Denver, CO

NATIONAL CONFERENCES

INFO 86: Independent Foodservice Operators' National Conference
2/16-19/86 - Orlando, FL

National Conference on Computers in Foodservice
3/16-19/86 - Washington, DC

SEMINARS BY STATE

ARIZONA

3/24	Menu Development	Tucson
6/9	Applications for Computers in Foodservice: Integrating the System	Phoenix

CALIFORNIA

1/20	Soups and Sauces	Van Nuys
1/21-22	Real Estate and Restaurant Site Selection	Monterey
2/6-7	Negotiating for, and Financing, Foodservice Facilities	San Francisco
2/25-26	Beverage Management	Newport Beach
3/5	Foodservice Operators' Legal Workshop	San Francisco
3/24-25	Restaurant Design and Facilities Planning	San Diego
5/5	Kitchen Management	Newport Beach
5/6	Kitchen Management	Ventura
5/12	Perfecting Your Culinary Skills	San Francisco
5/14	Perfecting Your Culinary Skills	Ventura
6/2	Business Dynamics for Women in Foodservice	San Francisco
6/4	Business Dynamics for Women in Foodservice	Anaheim
6/11	Creative Buffets	San Francisco

COLORADO

2/26	Banquet Management	Denver
3/21	Foodservice Operators Legal Workshop	Denver
4/21	Soups and Sauces	Denver
4/21	Business Dynamics for Women in Foodservice	Denver
4/21-22	Planning and Implementing Restaurant Marketing Strategy	Denver
4/22	Basic Supervision in Foodservice	Denver
4/22	Kitchen Management	Denver
6/9	Creative Buffets	Denver
6/19	Employee Motivation	Denver

CONNECTICUT

6/26	Dining Room Management	Stamford

DELAWARE

6/24	Tools for Training	Wilmington

DISTRICT OF COLUMBIA

1/21	Dining Room Management	Springfield, VA
2/4	Kitchen Management	Springfield, VA
2/6	Business Dynamics for Women in Foodservice	Washington, DC
3/2	Foodservice Operators' Legal Workshop	Washington, DC
3/16-19	National Conference on Computers in Foodservice	Washington, DC
3/24-25	Off-Premises Catering	Vienna, VA
4/9	Wine and the Bottom Line	Washington, DC
5/8	Employee Motivation	Bethesda, MD
5/27	Dining Room Management	Rockville, MD
6/10	Perfecting Your Culinary Skills	Washington, DC

FLORIDA

1/20	Food Cost Management	Jacksonville
1/27	Dining Room Management	Orlando
2/4	Perfecting Your Culinary Skills	Tampa
2/16-19	INFO 86: Independent Foodservice Operators' National Conference	Orlando
4/30-5/1	Planning and Implementing Restaurant Marketing Strategy	Miami
6/16	Dining Room Management	Miami
6/16	Foodservice Operators' Legal Workshop	Miami
6/16-17	Operational Analysis	Miami
6/17	Kitchen Management	Miami
6/17	Menu Development	Miami

GEORGIA

1/22	Food Cost Management	Atlanta
4/8	Tools for Training	Atlanta
4/29	Simplified Baking Workshop	Atlanta

ILLINOIS

2/10-11	Real Estate and Restaurant Site Selection	Chicago
4/15	Wine and the Bottom Line	Chicago

The following seminars will be held at the NRA Show in Chicago, May 17-18:

5/17	Basic Supervision in Foodservice	Chicago
5/17	Introduction to Computers in Foodservice	Chicago
5/17	Kitchen Management	Chicago
5/17	Menu Development	Chicago
5/17	Tools for Training	Chicago
5/17-18	Beverage Management	Chicago
5/17-18	Negotiating for, and Financing, Foodservice Facilities	Chicago
5/17-18	Off-Premises Catering	Chicago
5/17-18	Planning and Implementing Restaurant Marketing Strategy	Chicago
5/17-18	Restaurant Design and Facilities Planning	Chicago
5/18	Applications for Computers in Foodservice: Integrating the System	Chicago
5/18	Dining Room Management	Chicago
5/18	Foodservice Operators' Legal Workshop	Chicago
5/18	People, Power and Profits: How to Hire and Manage for Success	Chicago
5/18	Business Dynamics for Women in Foodservice	Chicago

INDIANA

2/27	Kitchen Management	Indianapolis
4/8	Soups and Sauces	Indianapolis

KENTUCKY

2/3	Banquet Management	Lexington
4/7-8	Real Estate and Restaurant Site Selection	Louisville
6/11	Dining Room Management	Owensboro

LOUISIANA

3/10	Basic Supervision in Foodservice	Shreveport

MAINE

2/27	Simplified Baking Workshop	Portland
4/7	Kitchen Management	Portland

MARYLAND

2/26	Menu Development	Baltimore
3/11	Simplified Baking Workshop	Baltimore
4/24	Kitchen Management	Annapolis
5/8	Employee Motivation	Bethesda
5/27	Dining Room Management	Rockville
6/25	Tools for Training	Annapolis

MASSACHUSETTS

2/4	Foodservice Operators' Legal Workshop	Boston
3/3	Dining Room Management	Boston
3/3	Soups and Sauces	Boston
3/3-4	Beverage Management	Boston
3/4	Creative Buffets	Boston
3/4	Tools for Training	Boston
3/5	Dining Room Management	Springfield
4/14	Banquet Management	Boston
5/6	Employee Motivation	Cape Cod
6/3	Food Cost Management	Boston

MICHIGAN

3/10	Dining Room Management	Grand Rapids
5/5	Wine and the Bottom Line	Detroit
6/16-17	Real Estate and Restaurant Site Selection	Birmingham

MINNESOTA

2/25	Food Cost Management	Minneapolis
3/25-26	Operational Analysis	Minneapolis
4/7	Soups and Sauces	Minneapolis
4/28-29	Restaurant Design and Facilities Planning	St. Paul

MISSOURI

1/28	Perfecting Your Culinary Skills	Kansas City
3/11	Dining Room Management	Kansas City

NEBRASKA

6/11	Kitchen Management	Omaha

NEW HAMPSHIRE

6/24	Dining Room Management	Portsmouth

NEW JERSEY

2/6	Kitchen Management	Atlantic City
3/10	Introduction to Computers in Foodservice	Newark
4/7	Tools for Training	Newark
4/28	Applications for Computers in Foodservice: Integrating the System	Newark
6/9-10	Restaurant Design and Facilities Planning	Atlantic City

NEW YORK

3/27	Creative Buffets	Rochester
4/14	Dining Room Management	Buffalo
4/15	Dining Room Management	Syracuse
4/22	Menu Development	Albany
5/29	Perfecting Your Culinary Skills	Hyde Park

NORTH CAROLINA

2/17	Introduction to Computers in Foodservice	Raleigh
4/21-22	Operational Analysis	Charlotte

OHIO

1/28	Kitchen Management	Cincinnati
2/24	Perfecting Your Culinary Skills	Cincinnati
2/27	Food Cost Management	Cleveland
4/9	People, Power and Profits: How to Hire and Manage for Success	Columbus
6/9	Wine and the Bottom Line	Cincinnati

OKLAHOMA

6/10-11	Beverage Management	Oklahoma City

OREGON

3/10	Creative Buffets	Portland
3/26-27	Planning and Implementing Restaurant Marketing Strategy	Portland
4/3	Banquet Management	Portland
4/22	Food Cost Management	Portland
6/11	Applications for Computers in Foodservice: Integrating the System	Portland

PENNSYLVANIA

2/25-26	Planning and Implementing Restaurant Marketing Strategy	King of Prussia
3/4	Soups and Sauces	Philadelphia
6/10	Foodservice Operators' Legal Workshop	Philadelphia

RHODE ISLAND

3/3	Introduction to Computers in Foodservice	Providence

SOUTH CAROLINA

2/11	People-Power and Profits: How to Hire and Manage for Success	Columbia

TENNESSEE

3/6	Employee Motivation	Gatlinburg

TEXAS

1/21	Kitchen Management	Fort Worth
1/22-23	Planning and Implementing Restaurant Marketing Strategy	Houston
2/3	Dining Room Management	San Antonio
2/4	Dining Room Management	Austin
3/26-27	Negotiating for, and Financing, Foodservice Facilities	Fort Worth
3/27	People-Power and Profits: How to Hire and Manage for Success	Fort Worth
4/14-15	Off-Premises Catering	Austin

UTAH

3/21	Food Cost Management	Salt Lake City
5/7	Tools for Training	Ogden

VERMONT

2/25	Basic Supervision in Foodservice	Burlington

VIRGINIA

1/21	Dining Room Management	Springfield
2/4	Kitchen Management	Springfield
3/4	Employee Motivation	Williamsburg
3/5	Food Cost Management	Williamsburg
3/24-25	Off-Premises Catering	Vienna
4/8	Perfecting Your Culinary Skills	Richmond
5/6	Basic Supervision in Foodservice	Richmond

WASHINGTON

3/11	Creative Buffets	Seattle
4/5	Banquet Management	Seattle
5/13	People-Power and Profits: How to Hire and Manage for Success	Seattle
6/17	Employee Motivation	Seattle

WEST VIRGINIA

5/29	Dining Room Management	Charleston
6/24	Basic Supervision in Foodservice	Charleston

WISCONSIN

2/25-26	Operational Analysis	Madison
5/6	Simplified Baking Workshop	Appleton
6/24	Banquet Management	Milwaukee

CANADA

2/10-11	Off-Premises Catering	Toronto, Ontario
3/11	Kitchen Management	Calgary, Alberta
5/13	Kitchen Management	Halifax, Nova Scotia
6/4	Menu Development	Toronto, Ontario

SEMINARS BY DATE

JANUARY

1/20	Soups and Sauces	Van Nuys, CA
1/20	Food Cost Management	Jacksonville, FL
1/21	Kitchen Management	Fort Worth, TX
1/21	Dining Room Management	Springfield, VA
1/21-22	Real Estate and Restaurant Site Selection	Monterey, CA
1/22-23	Planning and Implementing Restaurant Marketing Strategy	Houston, TX
1/22	Food Cost Management	Atlanta, GA
1/27	Dining Room Management	Orlando, FL
1/28	Perfecting Your Culinary Skills	Kansas City, MO
1/28	Kitchen Management	Cincinnati, OH

FEBRUARY

2/3	Banquet Management	Lexington, KY
2/3	Dining Room Management	San Antonio, TX
2/4	Foodservice Operators' Legal Workshop	Boston, MA
2/4	Perfecting Your Culinary Skills	Tampa, FL
2/4	Kitchen Management	Springfield, VA
2/4	Dining Room Management	Austin, TX
2/6-7	Negotiating for, and Financing, Foodservice Facilities	San Francisco, CA
2/6	Business Dynamics for Women in Foodservice	Washington, DC
2/6	Kitchen Management	Atlantic City, NJ
2/10-11	Real Estate and Restaurant Site Selection	Chicago, IL
2/10-11	Off-Premises Catering	Toronto, Ontario, Canada
2/11	People-Power and Profits How to Hire and Manage for Success	Columbia, SC
2/16-19	INFO 86: Independent Foodservice Operators' National Conference	Orlando, FL
2/17	Introduction to Computers in Foodservice	Raleigh, NC
2/24	Perfecting Your Culinary Skills	Cincinnati, OH
2/25	Food Cost Management	Minneapolis, MN
2/25	Basic Supervision in Foodservice	Burlington, VT
2/25-26	Operational Analysis	Madison, WI
2/25-26	Beverage Management	Newport Beach, CA
2/25-26	Planning and Implementing Restaurant Marketing Strategy	King of Prussia, PA
2/26	Menu Development	Baltimore, MD
2/26	Banquet Management	Denver, CO
2/27	Simplified Baking Workshop	Portland, ME
2/27	Kitchen Management	Indianapolis, IN
2/27	Food Cost Management	Cleveland, OH

MARCH

3/2	Foodservice Operators' Legal Workshop	Washington, DC
3/3	Soups and Sauces	Boston, MA
3/3-4	Beverage Management	Boston, MA
3/3	Introduction to Computers in Foodservice	Providence, RI
3/3	Dining Room Management	Boston, MA
3/4	Soups and Sauces	Philadelphia, PA
3/4	Tools For Training	Boston, MA
3/4	Creative Buffets	Boston, MA
3/4	Employee Motivation	Williamsburg, VA
3/5	Food Cost Management	Williamsburg, VA
3/5	Dining Room Management	Springfield, MA
3/5	Foodservice Operators' Legal Workshop	San Francisco, CA
3/6	Employee Motivation	Gatlinburg, TN
3/10	Introduction to Computers in Foodservice	Newark, NJ
3/10	Creative Buffets	Portland, OR
3/10	Dining Room Management	Grand Rapids, MI
3/10	Basic Supervision in Foodservice	Shreveport, LA
3/11	Simplified Baking Workshop	Baltimore, MD
3/11	Creative Buffets	Seattle, WA
3/11	Kitchen Management	Calgary, Alberta, Canada
3/11	Dining Room Management	Kansas City, MO
3/16-19	National Conference on Computers In Foodservice	Washington, DC
3/21	Food Cost Management	Salt Lake City, UT
3/21	Foodservice Operators' Legal Workshop	Denver, CO
3/24	Menu Development	Tucson, AZ
3/24-25	Restaurant Design and Facilities Planning	San Diego, CA
3/24-25	Off-Premises Catering	Vienna, VA
3/25-26	Operational Analysis	Minneapolis, MN
3/26-27	Planning and Implementing Restaurant Marketing Strategy	Portland, OR
3/26-27	Negotiating for, and Financing, Foodservice Facilities	Fort Worth, TX
3/27	People-Power and Profits: How to Hire and Manage for Success	Fort Worth, TX
3/27	Creative Buffets	Rochester, NY

APRIL

4/3	Banquet Management	Portland, OR
4/5	Banquet Management	Seattle, WA
4/7	Soups and Sauces	Minneapolis, MN
4/7	Tools for Training	Newark, NJ
4/7-8	Real Estate and Restaurant Site Selection	Louisville, KY
4/7	Kitchen Management	Portland, ME
4/8	Soups and Sauces	Indianapolis, IN
4/8	Tools for Training	Atlanta, GA
4/8	Perfecting Your Culinary Skills	Richmond, VA
4/9	Wine and the Bottom Line	Washington, DC
4/9	People-Power and Profits: How to Hire and Manage for Success	Columbus, OH
4/14-15	Off-Premises Catering	Austin, TX
4/14	Banquet Management	Boston, MA
4/14	Dining Room Management	Buffalo, NY
4/15	Wine and the Bottom Line	Chicago, IL
4/15	Dining Room Management	Syracuse, NY
4/21	Soups and Sauces	Denver, CO
4/21	Business Dynamics for Women in Foodservice	Denver, CO
4/21-22	Planning and Implementing Restaurant Marketing Strategy	Denver, CO
4/21-22	Operational Analysis	Charlotte, NC
4/22	Basic Supervision in Foodservice	Denver, CO
4/22	Menu Development	Albany, NY
422	Kitchen Management	Denver, CO
4/22	Food Cost Management	Portland, OR
4/24	Kitchen Management	Annapolis, MD
4/28	Applications for Computers in Foodservice: Integrating the System	Newark, NJ
4/28-29	Restaurant Design and Facilities Planning	St. Paul, MN
4/29	Simplified Baking Workshop	Atlanta, GA
4/30-5/1	Planning and Implementing Restaurant Marketing Strategy	Miami, FL

MAY

5/5	Wine and the Bottom Line	Detroit, MI
5/5	Kitchen Management	Newport Beach, CA
5/6	Basic Supervision in Foodservice	Richmond, VA
5/6	Employee Motivation	Cape Cod, MA
5/6	Simplified Baking Workshop	Appleton, WI
5/6	Kitchen Management	Ventura, CA
5/7	Tools for Training	Ogden, UT
5/8	Employee Motivation	Bethesda, MD
5/12	Perfecting Your Culinary Skills	San Francisco, CA
5/13	People-Power and Profits: How to Hire and Manage for Success	Seattle, WA
5/13	Kitchen Management	Halifax, Nova Scotia, Canada
5/14	Perfecting Your Culinary Skills	Ventura, CA
5/17	Basic Supervision in Foodservice	Chicago, IL
5/17	Kitchen Management	Chicago, IL
5/17	Tools for Training	Chicago, IL
5/17	Introduction to Computers in Foodservice	Chicago, IL
5/17	Menu Development	Chicago, IL
5/17-18	Beverage Management	Chicago, IL
5/17-18	Planning and Implementing Restaurant Marketing Strategy	Chicago, IL
5/17-18	Restaurant Design and Facilities Planning	Chicago, IL
5/17-18	Negotiating for, and Financing, Foodservice Facilities	Chicago, IL
5/17-18	Off-Premises Catering	Chicago, IL
5/18	Dining Room Management	Chicago, IL
5/18	Business Dynamics for Women in Foodservice	Chicago, IL
5/18	Applications for Computers in Foodservice: Integrating the System	Chicago, IL
5/18	People-Power and Profits: How to Hire and Manage for Success	Chicago, IL
5/18	Foodservice Operators' Legal Workshop	Chicago, IL
5/27	Dining Room Management	Rockville, MD
5/29	Dining Room Management	Charleston, WV
5/29	Perfecting Your Culinary Skills	Hyde Park, NY

JUNE

6/2	Business Dynamics for Women in Foodservice	San Francisco, CA
6/3	Food Cost Management	Boston, MA
6/4	Menu Development	Toronto, Ontario, Canada
6/4	Business Dynamics for Women in Foodservice	Anaheim, CA
6/9	Applications for Computers in Foodservice: Integrating the System	Phoenix, AZ
6/9-10	Restaurant Design and Facilities Planning	Atlantic City, NJ
6/9	Wine and the Bottom Line	Cincinnati, OH
6/9	Creative Buffets	Denver, CO
6/10	Foodservice Operators' Legal Workshop	Philadelphia, PA
6/10	Perfecting Your Culinary Skills	Washington, DC
6/10-11	Beverage Management	Oklahoma City, OK
6/11	Applications for Computers in Foodservice: Integrating the System	Portland, OR
6/11	Kitchen Management	Omaha, NE
6/11	Creative Buffets	San Francisco, CA
6/11	Dining Room Management	Owensboro, KY
6/16	Dining Room Management	Miami, FL

(Continued on back cover)

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(No discount applies)	$115	$145

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Number of people attending from your organization	Member*	Non-member
One person	$145	$185
Two or more	$130 each	$170 each

Foodservice Management Courses

	Member*	Non-member
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One person	$145	$185
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*NRA or co-sponsoring state association

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(Continued from previous page)

6/16	Foodservice Operators' Legal Workshop	Miami, FL
6/16-17	Operational Analysis	Miami, FL
6/16-17	Real Estate and Restaurant Site Selection	Birmingham, MI
6/17	Menu Development	Miami, FL
6/17	Kitchen Management	Miami, FL
6/17	Employee Motivation	Seattle, WA
6/19	Employee Motivation	Denver, CO
6/24	Tools for Training	Wilmington, DE
6/24	Basic Supervision in Foodservice	Charleston, WV
6/24	Banquet Management	Milwaukee, WI
6/24	Dining Room Management	Portsmouth, NH
6/25	Tools for Training	Annapolis, MD
6/26	Dining Room Management	Stamford, CT

Seminar Information

Continuing education credit—The International Food Service Executives Association (IFSEA), the Dietary Managers Association (DMA), and the American Culinary Federation (ACF) have approved NRA's courses for continuing education credit.

Tax deductible—Your attendance at this NRA seminar is tax deductible, according to Treasury Regulation 1.162-5.

Discount for multiple attendance—When two or more attendees register from the same company for selected programs, each will receive a discount off the regular registration fee. Special discounts available for larger groups.

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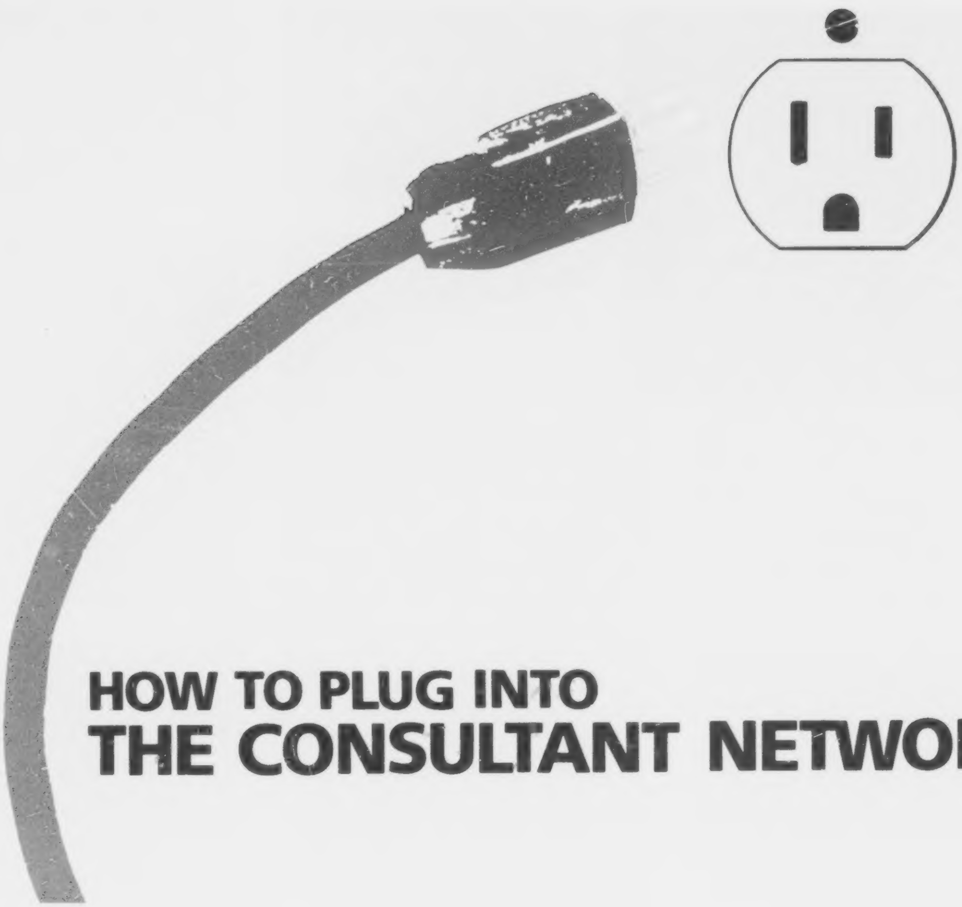
VIDEO TRAINING
NATIONAL RESTAURANT ASSOCIATION



HOW TO PLUG INTO THE CONSULTANT NETWORK

Hiring a consultant—someone "who gives expert or professional advice"—is not as perplexing as is often imagined. First, it is important to realize that the talents of different experts are not equal. Some consultants are experts at selling while others are experts who can sell. The former, while well-versed superficially on many related issues, are primarily skilled in persuading or selling a product or service—not in actual problem solving. Experts who can sell, on the other hand, are problem-oriented. They excel in recognizing unsatisfactory situations, visualizing creative ways to correct them and implementing necessary changes. They also have the additional ability to market their ideas.

What can foodservice consultants do?...

Consultants are often thought of as people who "fix things" when they go wrong. This vague concept is part of the reason many people are confused when hiring outside assistance. While some consultants are quite specialized in a particular area of foodservice, others are broader based and can offer a wide range of services. Foodservice consultants can provide help in all areas of planning, development and implementation of restaurant services (see sidebar).

A great deal of uncertainty can accompany the decision to purchase the professional services of a foodservice consultant. Yet the process of choosing and supervising a consultant can be handled with relative ease and assurance.

Because it is true that time is money, a job done with expedience may also be a job done at a lower cost. To help narrow the search for an expert with appropriate and specific knowledge in the desired area, a restaurant operator should define in general terms the problem or problems that need to be solved. This will save much time and frustration.

When should a foodservice consultant be hired?...

A consultant should be hired if there is need for expert know-how or there is a great deal of uncertainty about how to proceed with a project.

Outside advice is most commonly sought when there has been an un-

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solved problem of long standing or when an operator feels a situation requires specialized knowledge beyond his scope.

Consultants also are well-used when hired to fine-tune a generally profitable idea or to confirm concepts about which the operator has some doubts. The adviser becomes a backup for the restaurateur.

Consultants come in handy when an unbiased eye or fresh insight is needed to solve an old problem. The creation of a whole new food and beverage concept, or the overhaul of an existing one, can often best be accomplished by someone whose vision is not clouded by overexposure to the situation. A consultant's constant contact with the outside world can be used to great advantage. For example, there is a natural tendency in the foodservice industry to take note of current trends. A consultant can modify and individualize popular concepts to make them appear fresh and innovative.

When major expansion or diversification is planned, the services of a consultant may be needed. Management and food production techniques that work well in a small establishment may not translate successfully into a larger operation. The outside expert, who has been exposed to operations of varying sizes, will have valuable insight into what works on a grander scale.

The hiring of a consultant at times of significant change can literally save the life of a restaurant. While it is always wiser to seek assistance before a bad situation accelerates, consultants are sometimes hired to bale out an establishment that is fighting for its survival. Many a restaurant has been brought back to life by the investment in expert advice.

When should a consultant not be hired?...

When there is no sincere desire to correct a problem or change a situation, it is best not to hire a consultant. It is a misuse of time as well as cost to employ a consultant if no real work is required. It is also irresponsible to use a consultant as a scapegoat for distasteful changes or as a means to threaten the jobs of in-house personnel. Hiring outside advice in an effort to promote the convictions of only one person involved in a change is also inappropriate and can sabotage an entire project.

How can a consultant be located?...

Seeking information about consultants from several sources will widen the choices considerably. Word of mouth referrals from other foodservice operators are often a reliable source of information. Trade publications, brochures received by mail and recommendations provided by foodservice associations will suggest other possibilities.

How can a prospective consultant be evaluated?...

The two most common ways to evaluate a consultant's credentials are the personal interview and the proposal. Because successful consulting is based on open communication and

Fees for services

The first time user of consulting services is sometimes surprised when the consultant's bill arrives. A look at the general billing practices of professional foodservice consultants can help eliminate those surprises.

$ Before hiring a consultant

Before hiring a consultant, spend time determining specifically what you want the consultant to do. Deciding what the consultant's scope of work, specific objectives and end products or deliverables will be is an essential first step in any project.

$ The preliminary meeting

Normally, a consultant will not charge for the preliminary meeting, which is useful to decipher your needs. The preliminary meeting also should determine the consultant's scope of work, time schedule, necessary project meetings, required reports or other deliverables as well as the specific members of the firm who will be included in the project.

$ The consultant's proposal

The consultant's proposal becomes a contract between you and the consultant. It should contain:

- Specific scope of the project with detailed, deliverable items.
- A not-to-exceed fee or fee estimate based on the work to be performed. Consultants will bill for the time involved in completing the proposed work given the members of the firm involved, their hourly billing rate and the estimated time to complete a project. This fee normally will include an assumed number of meetings with you, the client.
- Reimbursable expenses or other anticipated expenses are normally billed in addition to the fee and should be identified in the proposal. The consultant should be required to either estimate anticipated reimbursable expenses for an engagement or establish a dollar cap on certain expenses. Expenses over the cap amount must then be cleared with you before they are incurred.

$ Other billing considerations

The retainer. Many consultants will require a retainer at the start of the engagement to offset initial project expenses. Retainers normally are applied either during the term of the engagement or to the final project invoice.

Project "extras." Be certain that the consultant's proposed scope of work includes all the work you want done. Otherwise, an invoice for "extra services," which are not included in the consultant's scope of work, can be a shocking surprise. Also, significant differences in several consultants' proposed fees for a project may suggest an assumed difference in the scope of work proposed rather than significant differences in the quality of the firms.

Payment terms. Consultants' invoices are generally issued monthly and are due upon receipt. The fees billed are usually for the time and reimbursable expenses incurred during the established billing period.

$ Be wary of contingency fees

Be suspect of foodservice consultants who propose work on a contingency fee basis. Contingency fee payments, or fees to be earned as a percentage of realized savings or increased business are not viewed as a professional practice in the industry. Contingency fee arrangements are generally perceived to compromise the consultant's objectivity and independence.

mutual trust between client and consultant, an interview is an important first step to determine if the consultant has appropriate experience and if the consultant's personality and philosophy mesh well with your own.

Some common questions to raise in the interview concern the consultant's
- knowledge in the areas desired
- range of experiences with similar operations
- approach—does he/she appear to be unbiased, practical and realistic?
- originality and creativity of thought
- ability to communicate easily and understandably
- compatibility with in-house personnel with whom he/she will work
- enthusiasm and
- ability to complete the project within the anticipated time frame.

It is most important that you feel comfortable with the consultant you hire. Very few consulting jobs proceed smoothly unless a team atmosphere prevails.

The next step in evaluating a prospective consultant is to assess his/her written presentation—the proposal. This statement of work to be done and the methods by which it will be accomplished says a great deal about the consultant. A comprehensive proposal is a good indication of the consultant's commitment level and his/her understanding of your project. A thorough proposal will specify
- Project objectives
- Scope of services
- Qualifications and references
- Project management and staffing (including resumes of those who will actually perform the work)
- Fees
- Reimbursable expenses
- Chargeable additions
- Invoicing and
- Conditions for termination of services.

It is always wise to check references. This may help you evaluate the prospective consultant's ability to provide quality results and his/her value. Often consultant fees are based on experience. A bargain price may mean getting someone with less than adequate knowledge to execute the job successfully.

What are the client's responsibilities? . . .

The decision to hire a consultant does not relieve you of responsibilities. Quite the contrary: You cannot abdicate decision-making authority because you have more insight into the internal and political workings of your establishment than will the consultant. By virtue of this inside knowledge, you must remain an active member of the project team, working in close partnership with the hired expert.

Services provided by foodservice consultants

Developmental services

Concept planning
Market and feasibility studies
Pro forma income statements
Financial structuring
Site analysis
Patron profiles
Theme development
Franchise planning

Facilities design

Programming/budgeting
Prototype development
Equipment specifications
Construction coordination
Food delivery systems

Menu development and presentation

Menu conception, costing, pricing and layout
Recipe development and testing
Plating, portioning, and garnishing standards
Food merchandising
Wine and liquor list
Tabletop design

Staffing and training

Staffing requirements
Personnel training
Training manuals
Job descriptions
Operation manuals

Operations analysis

Procurement systems
Food purchasing specifications
Receiving procedures
Storage and issuing procedures
Food production procedures
Service standards and procedures

Other support services

Point-of-sale/technical system selection
Management information system(s)
Management recruitment executive search
Market planning
Public relations
Advertising
Promotions

Moreover, the outcome of the project continues to be your responsibility. It is up to you to manage the consultant and the work as it progresses. A well-written proposal will cover all key points pertaining to the specifics of the project. It can serve as a contract that can be used to direct the work to be performed. Should it become necessary to further define the project, the proposal can be amended to retain its contractual effect. Written progress reports and regularly scheduled meetings with the consultant to review the work will also help you maintain control.

It is up to you to make sure your staff is comfortable with the project. By involving your staff in the project, you can allay fears and resentment that so often result when an outsider is hired. In-house understanding of the changes to be made creates an atmosphere of goodwill and readies the staff to carry on the consultant's innovations after he/she departs. The responsible restaurateur will ensure the equality of all team members by not allowing the project to become the personal success of any one individual.

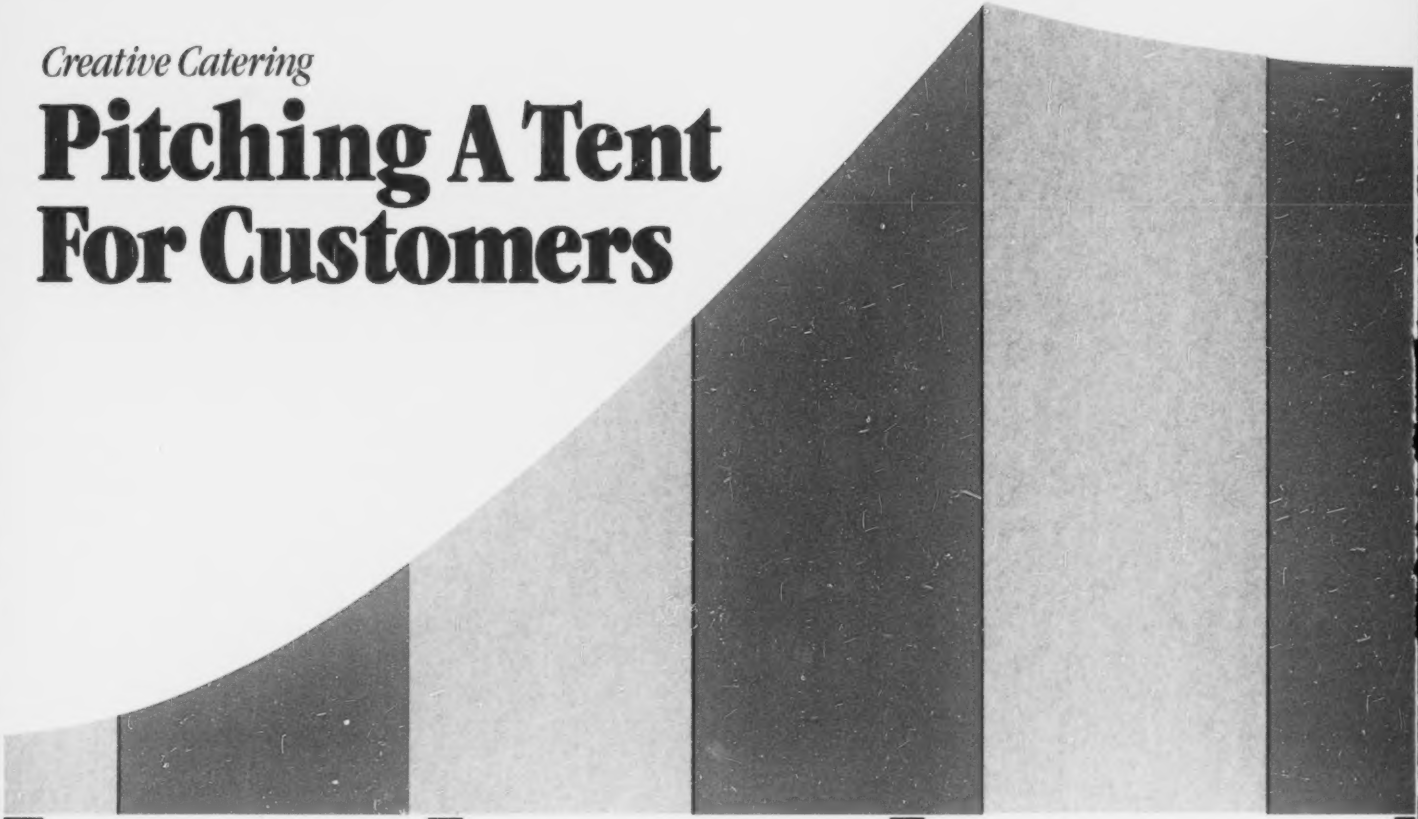
Finally, part of your responsibility is to listen to what the consultant has to offer. Advice given in good faith deserves careful consideration. Of course, you are not obligated to follow all suggestions and solutions presented, but you owe it to yourself and to the consultant to consider them seriously.

In sum . . .

The farsighted restaurateur can take advantage of a foodservice consultant's many talents by screening prospective consultants conscientiously and managing the individual hired. A thoughtfully selected and carefully directed foodservice consultant can provide a great deal more than just expert professional advice. The consultant can be an analyst, a source of information, a long-range planner, an unbiased observer, an educator, a link to the outside world, a sounding board, a psychologist and a diplomat. ❑

Creative Catering

Pitching A Tent For Customers



by Harry Oppenheimer & Jerry O'Connell

The old idea of tenting was to provide some protection from the weather. Today, tents can do a great deal more. They give you the ability to design your own dining room, your own kitchen, maybe your own reception parlor. You can make tents square or rectangular, tall or low, creating a space to your specifications. And you can create a unique environment in a place where perhaps people have never even dreamed of having a party. You can take a parking lot or a grassy mall and create something that was not there yesterday and will not be there tomorrow. If you don't have kitchen facilities, you can put up a tent to house your stoves and working equipment.

There are functions that would not happen if you did not have somewhere to put them. There are small events that you can turn into a larger event by giving them the facility to house twice as many or 10 times as many people as they originally thought they could house. You are going to create your own restaurant in effect, whether it is for 30 people or for 3,000 people. And you do not have any overhead for this place when you are not using it. The only cost is directly related to that particular function. The range for renting tents is from seven cents to two dollars per square foot.

How does this affect your business? It expands your business.

Tent suppliers are resources . . .

Think of your tent supplier as one of your primary resources. He will give you logistical support that is necessary to make the party run smoothly.

For example, he can recommend the right-sized tent for parties of various sizes. One tent can be as large as

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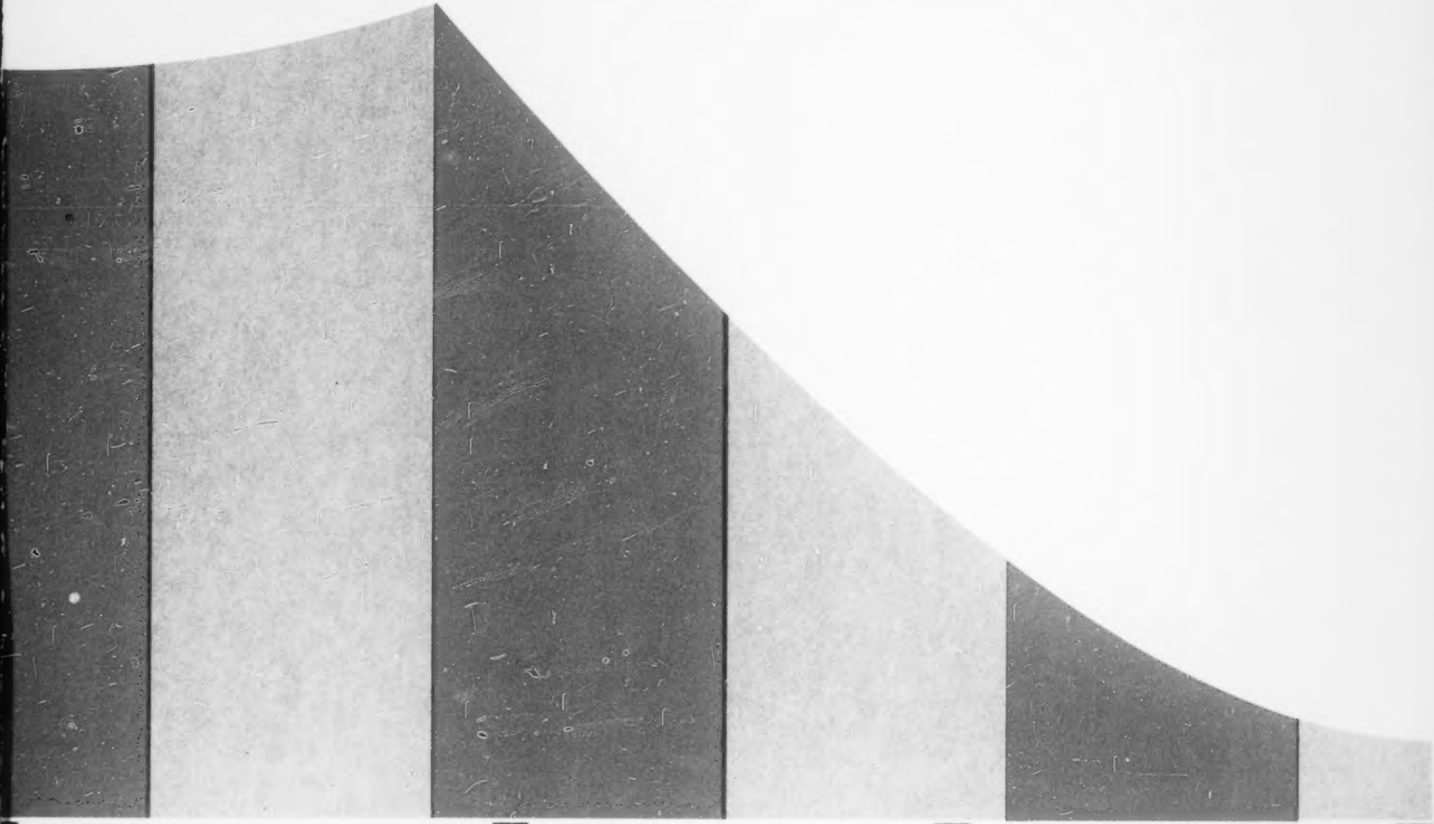
Harry Oppenheimer and Jerry O'Connell are president and vice president, respectively, of HDO Productions with offices in Chicago, IL; San Francisco and Los Angeles, CA; Dallas, TX; New York, NY; and Washington, DC. This article was excerpted from NRA's first National Conference on Catering. The second conference will be held November 10 through 13 in Las Vegas, NV.



38,000 square feet. But multiple tents are also possible. Your tent supplier can give you advice on planning your tables, buffet and dance floor. He should supply all of this information in scale, not just a rough sketch on the back of an envelope.

Consider lighting. Do you need something elaborate or something simple? Your tent supplier can help you find tree lighting or theatrical lighting with a pin spot shining down on each center piece.

Logistics is another area where help is available. Without logistical planning, a party that seems very natural become a great deal of work. If you are doing a party on an island in the middle of New York Harbor, you have to figure out how you are going to get the equipment there. Perhaps the tent supplier can arrange for the barge and the tugboat and plan the delivery schedule so that there is no congestion on the loading dock or on the boats. When the guests leave the party, you want them to say, "Boy, that was a really nice party. It was beautifully done." You want them to think it was easy. Tent suppliers want to do the same thing for you: That is going to increase their business.

Three market areas . . .

There are three market areas for tents in the catering industry.

- **The social market,** where a tent becomes a family room, usually at someone's home, to celebrate a special occasion, such as an engagement party, wedding or anniversary. Hotels also fall into this category. In the case of a double booking that tied up its ballroom, one hotel took advantage of its large unfilled parking lots to cater the second event.
- **The institutional market,** where fundraising events take place at museums, universities and public spaces around the country. For the opening of a new symphony hall, for example, two tents were used. One tent was set up in the front of the building for cocktails, and while the 1,000 guests went into the hall to hear the symphony, a tent was set up at the back of the building to cater dinner. Commencement, homecoming and dedications also fall into the institutional area.
- **The corporate market,** where events such as open houses, product introductions, new hirings and promotional activities, such as golf or tennis tournaments, take place at a business plant or building. Many companies like to bring their customers to their plant so customers can see how the product is produced. The hosts do not want to lose the guests at lunch so they put up a tent to serve meals.

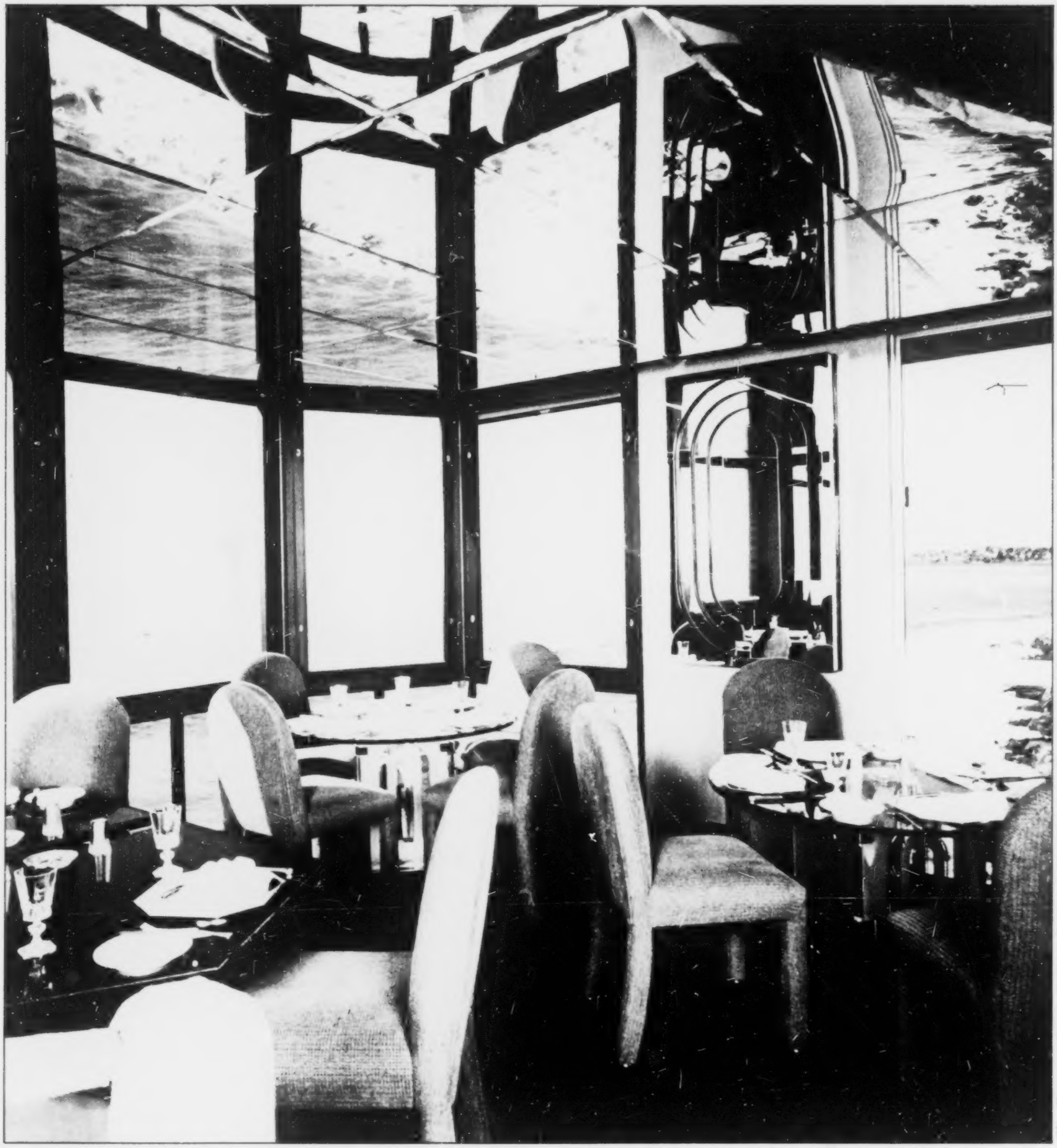
Tents in creative locations . . .

The opportunities for new sites is really only limited by your imagination. Some tents have been set up in the woods, which provided a great deal of privacy and few distractions. There are special clear vinyl tents that allow you to see the trees outside.

Other notable settings include mountainous areas, where the atmosphere is relaxed and the views are incomparable, or ocean-side locations. One event was even held in the middle of the desert for celebrating the landing of the first space shuttle. Kitchen tents were set up on either side of the tent used for feasting. This gave them an opportunity to have a very short carry to the tables and ensured that they served a hot meal.

Finally, remember to stay away from locations that may be hazardous, such as on top of a skyscraper or outdoors during the winter. ❑

MIRROR, MIRROR ON THE WALL



The Towers, Laguna Beach, CA, designed by Edward Carson Beall and Associates, Torrance, CA.

The mirrored ceiling ensures that all diners, even those sitting in the back of the restaurant, can see the sand and surf nine stories below. Beall also installed art deco prism mirrors, which complement the restaurant's decor, to visually expand the narrow space.

Looking for ways to add some sparkle to your restaurant? You may want to consider mirrors. Not just flat reflecting pools, mirrors are creative design elements that can create drama and transform ordinary or problem interiors into beautiful spaces.

First and foremost, mirrors open up walls and create the illusion of added space and light. "One mirrored wall can make a restaurant seem twice as large," says Martha Cathcart, president, Cathcart/Bonda, Washington, DC.

Mirrors can also enhance atmosphere. They can double whatever effect you are trying to produce, from reflecting romantic candlelight to emphasizing bright neon accents.

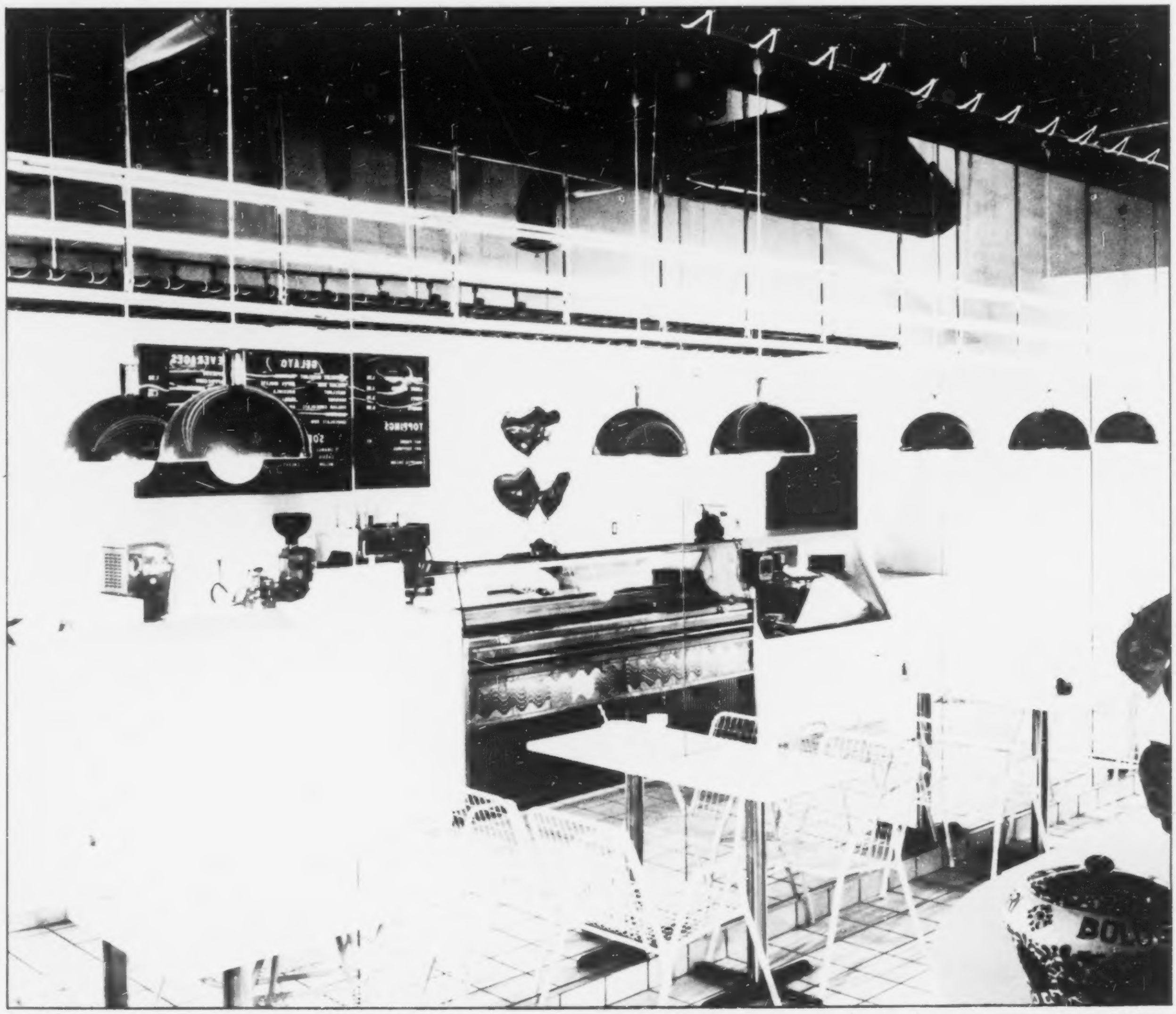
"Creative uses of mirrors can add a feeling of glamour or glitter," says Milo Hoots, Jr., president, Milo Hoots Associates, Washington, DC.

Don't think of mirrors as just wall treatments. "There are many more creative ways to use mirrors than just as glass plate walls," emphasizes Hoots. Suggestions include covering obtrusive columns with mirrors to make them "disappear" or using pieces of mirrors to reflect lighting accents.

Designers agree that mirrors offer a myriad of creative possibilities, but they are not for everyone. Here are some things to consider before installation:

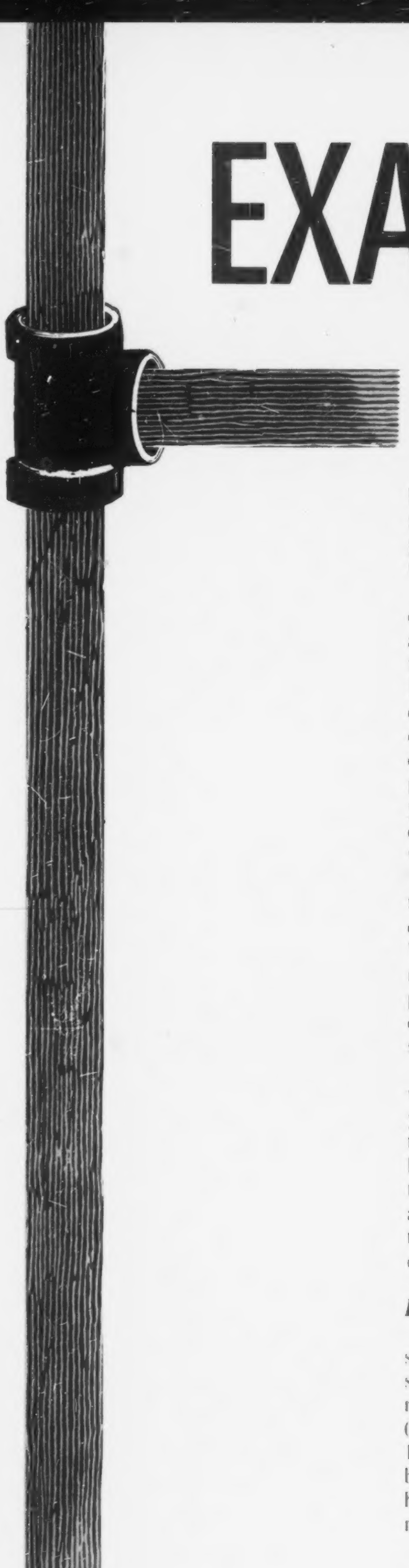
- Will mirrors complement your restaurant's ambiance and color scheme?
- What will the mirrors reflect? Will mirrors emphasize unslightly kitchen doors or any other eyesores?
- Are you prepared for the constant and consistent maintenance mirrors require? Smudge marks or streaks will detract from their effect.
- Are there ways you can compensate for the non-sound-absorbing qualities of mirrors? Consider installing such sound-absorbing material as carpets, draperies.

The two restaurants depicted here won honorable mentions in the National Association of Mirror Manufacturers' annual "Design with Mirrors" competition. The contest, held in conjunction with the American Society of Interior Designers (ASID), awards prizes for outstanding creative mirror applications in the commercial and residential sectors. *—Cecelia Niepold*



Natural Eats, North Miami Beach, FL, designed by Barbara Cortney, North Miami Beach, FL.

Working with a long, narrow room (15′ by 50′), Cortney covered one wall with mirrors to make the seating area appear twice as large and twice as inviting. The mirrored wall also contributes to the high-tech atmosphere by brightly reflecting the neon accents.



EXAMINING YOUR

Water quality is becoming increasingly important in impressing customers and building repeat business. Water affects many daily restaurant operations, from food preparation and beverage service to ware washing and ice cube making.

If water quality is not up to standards, your restaurant can experience a number of operational problems that can hurt business and profits. For example, are you experiencing ice cube machine problems? Does your coffee, tea or water have a bad taste or odor? Or would you like to improve the taste and appearance of your food? If you said yes to any one of these questions, you may need a water conditioning system.

Before considering a water conditioning system, however, you should evaluate your present water supply. Whether your water comes from the municipal supply or a well, get a sample analyzed by a city health official or a reputable water quality professional.

The analysis will help determine what water conditioning equipment you may need. Essentially, there are three areas to examine: raw water hardness, tastes and/or odors and total dissolved solids. Each of these areas contributes to unique problems that can be solved with proper water conditioning equipment.

Raw water hardness . . .

Water conditions vary from one supply to another and within the same supply. Typically, water hardness is expressed in grains per gallon (gpg). If the hardness level is less than 1.0 gpg, your water is soft. If it ranges between 3.6 and 7.0, it is moderately hard. A reading of more than 10.6 gpg means your water is very hard.

A water softener is a basic requirement for most restaurants. It removes dissolved solids, such as calcium, magnesium and iron, that cause scale build-up in various restaurant equipment. The softener replaces these dissolved solids with sodium, a soft mineral that will not scale.

A U.S. Bureau of Standards study estimates that a ⅛-inch scale build-up in your water heater can increase fuel costs by 18 percent. Soft water can help the heater operate more efficiently and last longer.

Soft water can reduce scale build-up in ice cube machines. According to industry estimates, 75 percent of all ice machine service calls are water-related. Most of the breakdowns were caused by hard water scale build-up.

Ware washing equipment also benefits from soft water. In addition to eliminating scale build-up on spray and rinse nozzles and internal parts, soft water produces clean, spot-free dishes, glasses and flatware. Depending on the raw water hardness, soft water can reduce detergent use by up to 40 percent because soap works harder in treated water. Soft water also cuts down on the need for final rinse additives.

Softeners are available in many sizes—from small, portable exchange models to large, automatic units producing hundreds of gallons per minute. The size needed depends on current water hardness and the amount of water to be softened. A knowledgeable representative can specify the right one to best suit your restaurant's needs.

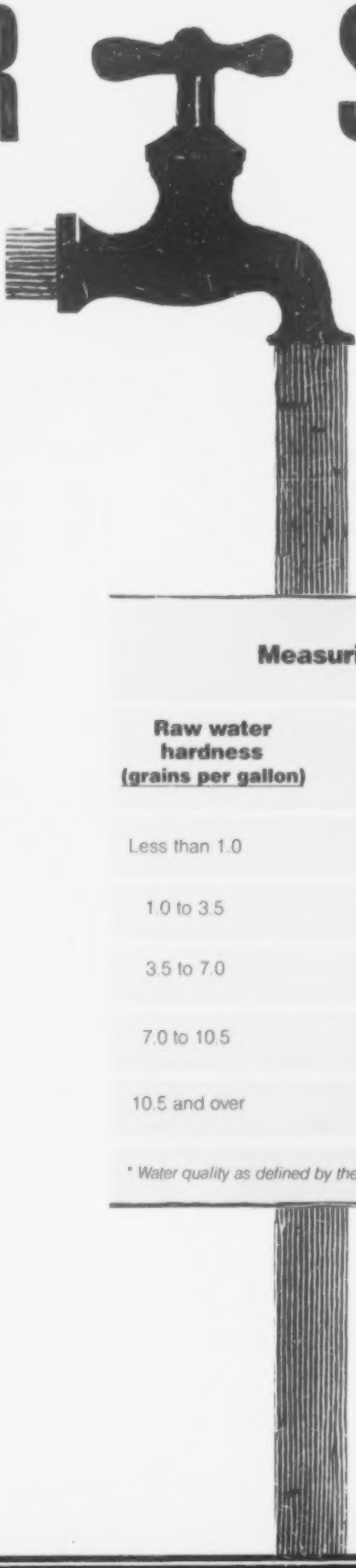
Bad tastes and odors . . .

Most hot and cold beverages are affected by "off tastes" that come from chlorination and high mineral contents in water. Since coffee and tea are 98 percent water, it is imperative to use properly treated water. Basically, higher quality water produces better tasting beverages for your customers.

Generally, prepared foods pick up

Robert McFaul is marketing manager for the Culligan International Company in Northbrook, IL.

WATER SUPPLY



by Robert McFaul

waterborne tastes and odors which influence the overall quality. Properly treated water enhances the taste and appearance of vegetables and soups.

You can combat most taste and odor problems with highly absorptive carbon filters to remove chlorine and other organics. The Culligan Gard series is an example of low-cost filters that remove odors and turbidity down to extremely small particle sizes. Installation is simple and quick, and the filter cartridge can be replaced

There are also filters that use a specially selected bed of activated carbon to remove tastes, odors, colors, tannins, chlorine and other constituents from the water. Make sure to clean or replace these filters on a regular basis.

High-quality water . . .

In areas with high amounts of total dissolved solids, deionization (DI) or reverse osmosis (RO) systems should be used in conjunction with carbon filters. Based on the analysis report, you can gauge the overall quality of your water.

Deionization is simply the process of removing ions from the water by means of ion exchange. DI units remove all minerals and produce high quality water. RO units are designed to remove over 90 percent of the dissolved solids in water and more than 99 percent of dissolved organic, bacterial and viral materials while providing filtration of extremely small particles.

DI and RO units help restaurateurs produce exceptionally appealing ice because minerals that produce cloudy or mushy-looking ice are removed. In addition, when unappealing ice melts, it leaves a residue in the bottom of the glass that can turn off customers.

In sum . . .

Water is one of your restaurant's most important commodities. Enhancing its quality ensures customer safety and health, saves energy, improves food and beverages and reduces equipment repairs. ❑

Measuring water quality*

Raw water hardness (grains per gallon)	Total dissolved solids (parts per million)	Water description
Less than 1.0	Less than 17.1	Soft
1.0 to 3.5	17.1 to 60	Slightly hard
3.5 to 7.0	60 to 120	Moderately hard
7.0 to 10.5	120 to 180	Hard
10.5 and over	180 and over	Very hard

* *Water quality as defined by the U.S. Department of the Interior.*

TO YOUR HEALTH

How you can help patrons with food sensitivities

Eggs, milk, shellfish, peanuts, food colors, flavors and preservatives: These food substances are innocuous for the majority of the population, but they can create havoc in the lives of those who are hypersensitive to them. The symptoms produced after eating these foods range from mild, such as hives, diarrhea or swelling, to life-threatening, such as anaphylactic shock.

Food sensitivities are grouped into two major categories: allergies and idiosyncratic reactions to food. A true allergy, whether induced by food, plants or animals, involves a disturbance of the body's immune system.

In contrast to the clearly defined mechanism of the allergic reaction, the process involved in the idiosyncratic type of reaction, such as bronchial constriction caused by sulfites in asthmatics, is not fully understood.

Incidence rates . . .

Doctors and scientists have been unable to accurately determine the incidence rate of food intolerances. Rough estimates range from one to 7.5 percent of the population.

A few things are certain, though: Age and genetics influence occurrence. Food sensitivities, particularly allergies, are more common in children than adults. And the likelihood of developing food allergies is greater if one or both parents are allergic to foods. This is not to say children of allergic parents will react to the same foods in the same way as their parents, only that the chance of being allergic to food is enhanced.

Relatively few foods cause sensitivity reactions. Those responsible for true allergic responses are usually protein. The most common offenders are cow's milk, eggs, nuts, soybeans, wheat, fish and shellfish. Children tend to outgrow milk allergies while allergies to fish and shellfish often develop during adulthood.

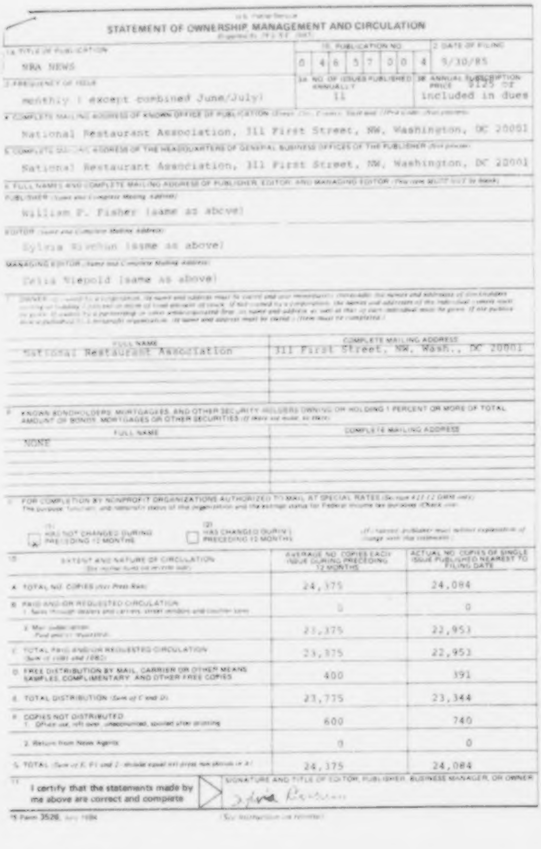
A few additives are suspected of causing allergic responses, but additives are more often associated with idiosyncratic intolerances. The most common irritating additives are sulfites and the food color tartrazine (FD & C yellow 5). Monosodium glutomate (MSG), papain and the preservatives sodium benzoates, BHA and BHT also have been known to produce an occasional sensitivity reaction.

Some foods have unjustifiably earned reputations for causing intolerances. Tomatoes, citrus fruits and chocolate are examples of foods commonly thought to induce bouts of hypersensitvity, but there is a lack of scientific evidence to implicate them.

Other variables, too, can influence the degree of sensitivity to troublesome foods. Cases of exercise-induced reactions have been reported; negative reactions to particular foods occur only when exercise follows consumption. Scientists are finding that factors, such as hormonal balance, room temperature, medication and travel, also affect sensitivity reactions.

Symptoms . . .

Symptoms of reactivity vary a great deal. Although a number of symptoms are associated with intolerance to food, it is rare for one person to exhibit more than a few symptoms simultaneously. Onset, too, may vary from person to person;



STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

1A. TITLE OF PUBLICATION NRA NEWS	1B. PUBLICATION NO. 0 4 6 5 7 0 0 4	2. DATE OF FILING 9/30/85
3. FREQUENCY OF ISSUE monthly (except combined June/July)	3A. NO. OF ISSUES PUBLISHED ANNUALLY 11	3B. ANNUAL SUBSCRIPTION PRICE $125 or included in dues

4. COMPLETE MAILING ADDRESS OF KNOWN OFFICE OF PUBLICATION
National Restaurant Association, 311 First Street, NW, Washington, DC 20001

5. COMPLETE MAILING ADDRESS OF THE HEADQUARTERS OF GENERAL BUSINESS OFFICES OF THE PUBLISHER
National Restaurant Association, 311 First Street, NW, Washington, DC 20001

6. FULL NAMES AND COMPLETE MAILING ADDRESS OF PUBLISHER, EDITOR, AND MANAGING EDITOR

PUBLISHER
William P. Fisher (same as above)

EDITOR
Sylvia Rivchun (same as above)

MANAGING EDITOR
Celia Viepold (same as above)

7. OWNER

FULL NAME	COMPLETE MAILING ADDRESS
National Restaurant Association	311 First Street, NW, Wash., DC 20001

8. KNOWN BONDHOLDERS, MORTGAGEES, AND OTHER SECURITY HOLDERS OWNING OR HOLDING 1 PERCENT OR MORE OF TOTAL AMOUNT OF BONDS, MORTGAGES OR OTHER SECURITIES

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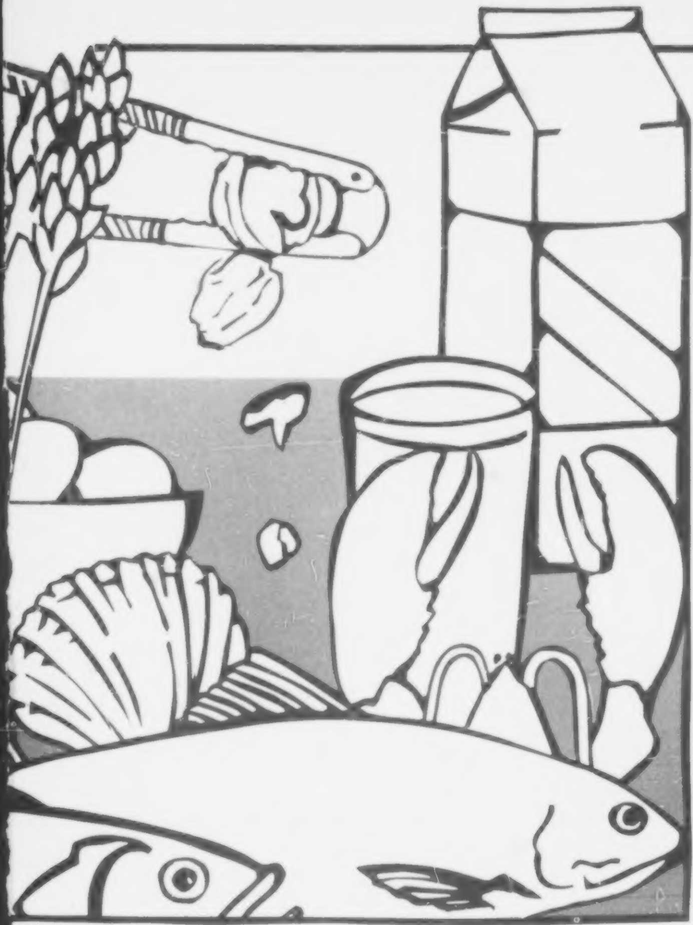

some symptoms may show up within minutes of food consumption while it may take hours for others to surface. The degree of sensitivity is also an individual matter. One person may be so reactive to shrimp that a salad prepared in a bowl that previously held shrimp may induce a reaction. For another, a shrimp entree may be the necessary dose to initiate a reaction.

Most commonly, symptoms of food sensitivity occur in the gastrointestinal tract, the first site of exposure. Swelling and itching of the lips, mouth and pharynx are often transient symptoms. Nausea, cramping, vomiting and diarrhea are prevalent gastrointestinal complications. The skin is the second most vulnerable area. Hives, angioedema (a more severe case of hives) and eczema can plague some hypersensitive individuals.

The respiratory system, too, can become involved, though usually not to the degree induced by plant allergies. Sneezing, nasal congestion and runny nose are mild symptoms that can be food-induced; and broncho constriction and bronchospasm, as seen in sulfite sensitivity, are more severe and potentially life-threatening.

Finally, the most complicated and rarest sensitivity reaction to food is anaphylactic shock, a generalized, systemic shock involving multiple organs. An anaphylactic episode occurs from minutes to several hours after the offending food has been consumed. Anaphylaxis should be treated immediately as it can be life threatening.

Treatment of food sensitivities is twofold: pharmacological and dietary. Avoidance of the offending foods is, of course, the most logical and specific treatment. But, food constituents are not always evident. Therefore, drugs are relied on as adjunct therapy for relief of symptoms. Due to the severity of anaphylaxis, diagnosed patients are often supplied with a syringe of epinephrine, a common antidote. Patients known to react less severely to foods are urged to carry antihistamines to alleviate symptoms of swelling, itching, bronchitis and gastrointestinal disturbances.

Hypersensitivity reactions

Food causing:

Cow's milk
Eggs
Nuts
Soybeans
Wheat
Fish/shellfish
Additives
  Sulfites
  Tartrazine (FD & C yellow 5)
  Monosodium glutamate (MSG)
  Papain
  Sodium benzoate
  BHA/BHT

Symptoms of:

Gastrointestinal
  Swelling and itching of lips, mouth, pharynx
  Nausea
  Cramping
  Vomiting
  Diarrhea

Dermatological
  Hives
  Angioedema (widespread, severe hives)
  Eczema

Respiratory
  Sneezing
  Nasal congestion
  Runny nose
  Bronchoconstriction
  Bronchospasm

Multisystem
  Anaphylactic shock

Most people with food sensitivities are aware of the foods they can tolerate and those to avoid. As foodservice patrons, they justifiably have questions regarding food composition and preparation.

How you can help . . .

Operators can be prepared to assist in a few ways.

- As mentioned, some people react even to residues of foods. To avoid cases of inadvertent exposure, all preparation equipment and surfaces should be thoroughly and carefully cleaned after each use.
- Although such cases are rare, it is conceivable that someone hypersensitive to fish will react to a potato that has been fried in oil previously used to fry fish. With knowledge that such extreme cases are possible, you can understand why some patrons may have detailed questions about food preparation techniques in your restaurant.
- During operating hours, at least one person should be available to answer customers' questions about food ingredients. Awareness of implicated additives used on the wholesale or manufacturers' level is essential to adequately serve hypersensitive patrons. Most manufactured foods declare ingredients on the labels. It may be necessary to press wholesalers for information about particular additives, such as sulfites.
- If you are doubtful about the contents of a particular food, admit it. Most victims of food intolerances would rather avoid a questionable item than risk a reaction.

—Claire Regan, R.D.

Safe or...

Your first obligation to customers is providing a clean, healthy environment. Without that, you cannot stay in business. NRA offers a series of publications on restaurant safety and sanitation to help you assure a safe environment. These books, manuals, checklists and posters cover every element in foodservice safety.

Sanitation Operations Manual
390 pgs., 3-ring binder, $19.95, MG857
Sanitation Self-Inspection Program
32 pgs., soft-cover book, $3.00, MG869
Safety Operations Manual
250 pgs., 3-ring binder, $10.95, MG850
Safety Self-Inspection Program
32 pgs., soft-cover book, $3.00, MG 833
Pest Control—Ants to Mice
14 pgs., booklet, $1.50, PB570
Foodborne Illnesses
Descriptions, causes and prevention of illnesses
Chart, $1.00, PB390
Don't Service Illness to Our Customers
Employee reminder poster
Poster, $1.25, PB275
Critical Temperatures for Foodservice
Chart, $1.25, PB840
Dry Storage Practices
Chart, 75 cents, PB280
Refrigeration Storage Practices
Chart, 75 cents, PB670
Frozen Storage Practices
Chart, 75 cents, PB460
Chemical Hazards
Chart, 75 cents, PB240

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You may charge orders by including charge card type, (VISA, MasterCard, etc.) name on card, number on card, expiration date and signature. Call NRA for charge card orders or send orders with payment to: NRA, 311 First St., N.W., Washington, DC 20001.

To Order Be sure to include tax and handling indicated below.

Tax—Wash., DC residents must add 6% sales tax; IL residents must add 7% tax; Chicago, IL residents must add an additional 1% making their total 8%.

Shipping and handling—Please include $2.00 for orders under $20 or 10% for orders over $20.

Sorry

Fisher's Law # 67

Resumes! Resumes! Resumes!

In personnel recruiting circles, resumes are the focus of much discussion and advice. Having been both a sender of a resume (once, at an earlier time) and the receiver of thousands of resumes over the past 20 years, I have come to certain conclusions about them, which, by unpopular demand, I'll share with you in the form of guidelines:

1. Make your resume as long as possible, preferably between 12 and 16 pages. The person who will receive it has nothing else to do and will certainly take the time to read it. In addition, a long resume can serve as the outline for your eventual autobiography, which the world is waiting for breathlessly.

2. Be sure to include your picture in the resume, centered in the middle of the first page. The center location on the first page shows balance and confidence. As an alternative, the whole first page could be an enlarged picture of yourself. Upon seeing that, the receiver of your resume will be chomping at the bit to turn the page and read on.

3. You may want to handwrite your resume as opposed to typing it or having it printed. That shows you are a "shirt-sleeves type" who gets at things right away. Besides, you'll be handwriting notes and memos on the job, and the recruiter will be very interested in observing your handwriting.

4. On the other hand, if you decide to type your resume, do it on lined tablet paper. That will help you keep the lines straight. Single space everything and start it at the left edge of the sheet and continue on over to the right edge. This "full utilization" of the paper will show that you are both economy conscious and productivity oriented.

5. Purposely misspell some words. That will show that you are not perfect but just human like everyone else. Nobody likes perfection anyway; it is boring, and there is no challenge. It is particularly notable if you misspell your name. That shows that you are not unduly self-centered. One applicant once submitted his resume with his name typed HEN3RY. He told me to call him HENRY as the 3 was silent.

6. List all personal data right at the beginning. After all, the recruiter wants to know about you. List your weight as 10 pounds lighter than you really are since by the time you meet the recruiter, you will have lost that excess weight anyway. If you are over 35, shave five years off your age. Nobody will know the difference, and if your appearance belies your age, the recruiter will think you are seasoned. If you are under 35, add five years to your age. If a youthful appearance belies the five-year addition, people will think you are "doing something right" to look so young.

7. Next, list all your hobbies, recreational interests, organization affiliations, honors, published articles etc. This will indicate how gregarious and well-rounded you are. Besides, the recruiter may be looking to fill a slot on the company bowling team or softball team and mention of these kinds of things up front will "help you out."

8. When you begin to list your work experience, leave some time gaps. You don't need to fill in everything in chronological sequence. Leaving some voids creates an air of mystery about you, and everyone loves a good mystery now and then. Besides, that will give you something to talk about during the interview.

9. Take the liberty to change your work titles so they are descriptive of what you did. For example, suppose that during your senior year you worked as a bagger in a supermarket. Now that could be changed to read "senior assembler, coordinator and dispatcher of life-sustaining products for a major firm with domestic and international relationships."

10. Never, never send a cover letter with your resume to the recruiting organization to express sincerity of interest or highlight why you believe that you are exactly suited for the position. That could be perceived as being overeager or as lacking confidence.

Well, I certainly hope these hints have given you something to think about. It's time for Fisher's 67th Law: **If you follow these guidelines, you will find yourself writing more and more resumes, more and more resumes and . . . !**

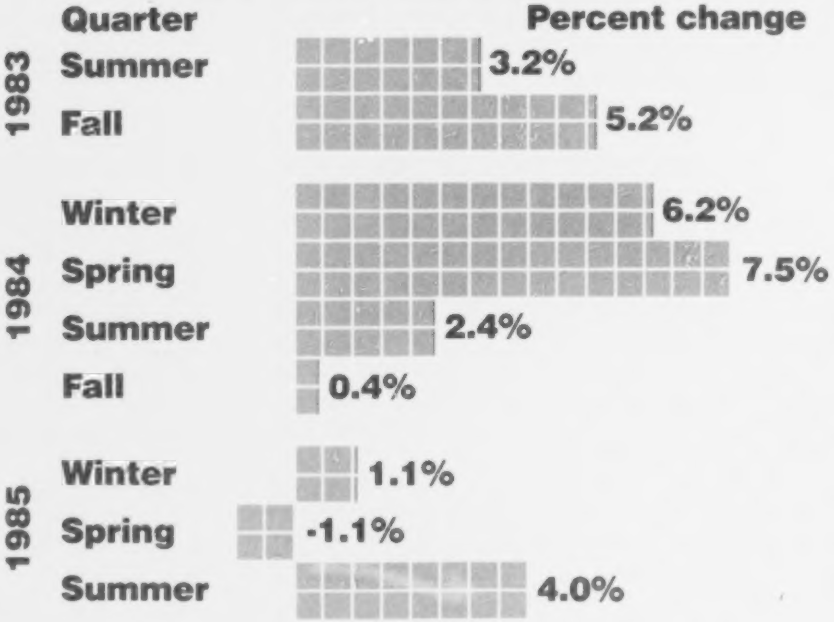
June-July-August

CREST Report

Summer quarter highlights:

- **Customer traffic:** Up 4.0 percent.
- **Sales:** Up 6.2 percent.
- **Visit frequency:** Up 2.1 percent.
- **Average check size:** Up 2.2 percent.
- **Restaurant types:** *Quick service customer traffic:* Up 6.7 percent. *Upscale customer traffic:* Down 0.2 percent. *Midscale customer traffic:* Down 0.9 percent.
- **Meal periods:** *Breakfast customer traffic:* Up 11.2 percent. *Dinner customer traffic:* Up 3.3 percent. *Lunch customer traffic:* Up 1.6 percent.

Percent change in quarterly traffic
(summer 1983–summer 1985)



Note: Percent change is from the same period in prior year.
Source: CREST *Household Report*, GDR/CREST Enterprises.

Customer traffic posts strong performance . . .

Customer counts at the nation's restaurants posted the strongest performance so far this year in the June-July-August period, climbing 4.0 percent above the same quarter in 1984, according to CREST's *Household Report*. This is good news after the disappointing 1.1 pecent decline in traffic recorded during the spring quarter and the modest 1.1 percent advance made in the winter.

Operators turned to promotions this past summer to attract patrons to their establishments. The percent of occasions on which a promotion was used exceeded 10.0 percent during this period.

The upswing in customer counts also reflects a more upbeat economic climate. In the third quarter, real GNP increased 2.8 percent, well above the 0.3 percent and 1.9 percent gains recorded in the first and second quarters, respectively. Additionally, after remaining at 7.3 percent for most of this year, the unemployment rate dipped to 7.0 percent in August, its lowest level in five years.

Furthermore, personal income edged up in the summer period, rising 0.4 percent in June and July and a somewhat smaller 0.3 percent in August. As a result of increased incomes, consumers stepped up their spending. Consumer spending advanced 0.6 percent in June, 0.4 percent in July and peaked at 1.2 percent in August. Increased consumer spending is also reflected in retail sales gains. Although retail sales rose at a sluggish 2.4 percent rate in June, sales jumped a considerably higher 8.1 percent in July and 9.0 percent in August. Also, inflation continued at a moderate rate in the third quarter, up only 3.5 percent versus the same period last year.

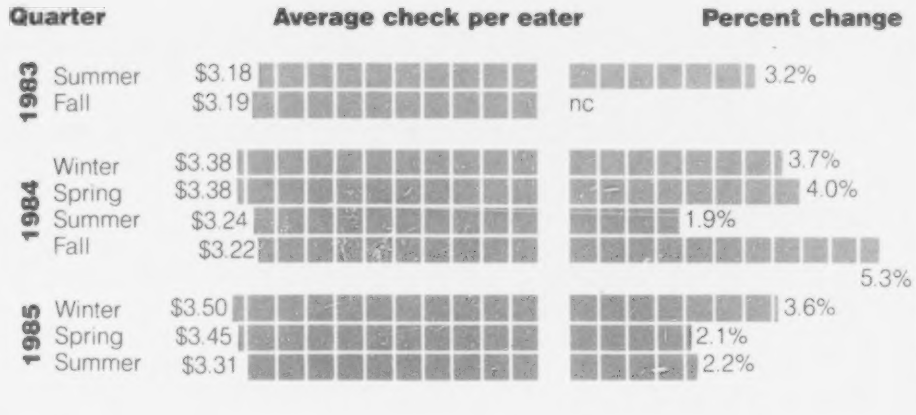
Because of the improved economic outlook during the third quarter, consumer confidence was strong. The index climbed to 91.5 and 92.1, respectively, in June and July but then dipped slightly to 89.9 in August.

NRA is optimistic that the restaurant industry will grow at a healthy pace in the closing months of 1985. Real eating place sales (adjusted for inflation) should advance at a revised 2.8 percent rate for the year. The fall months are expected to record strong growth as the economy will continue to improve.

Households dine out more often . . .

The average number of times families and singles visited restaurants—visit frequency—rose 2.1 per-

Percent change in per person check*
(summer 1983–summer 1985)



*Based on average for two-week period.
**No change.

Note: Percent change is from the same period in prior year.
Source: CREST *Household Report*, GDR/CREST Enterprises.

cent in the June–July–August period. This is considerably higher than the 0.8 percent advance posted in the spring quarter, but it falls short of the 3.0 percent increase recorded in the winter months. Additionally, 79 percent of all households dined out at least once in the summer quarter—which is even with the same period a year ago.

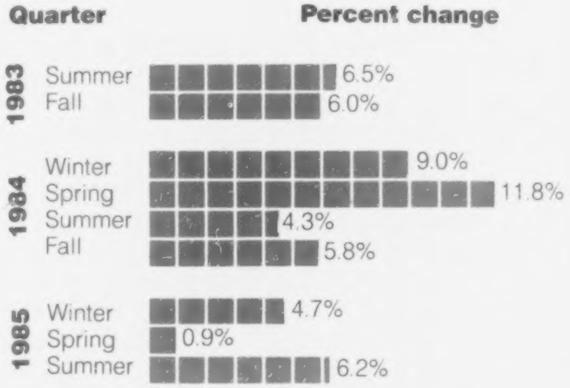
An analysis of visit frequency by industry segment—quick service, midscale, upscale—reveals that quick service restaurants outpaced the other segments, advancing 4.0 percent. On the other hand, both midscale and upscale establishments posted a decline in visit frequency, down 3.2 percent and 2.1 percent, respectively. This suggests that although consumers continue to dine away from home, they may be opting to eat at less expensive restaurants. Quick service restaurants were the only segment to record a gain in the number of households dining out in the two-week period—up 1.1 percent. Midscale establishments reported no change, but penetration at upscale restaurants edged down 0.2 percent.

Restaurant sales climb 6.2 percent . . .

CREST sales climbed a healthy 6.2 percent in the summer quarter. This is substantially higher than the 0.9 percent advance in the spring and the 4.7 percent gain recorded in the winter.

The average expenditure for a restaurant meal or snack—per person check size—rose 2.2 percent in the summer quarter, matching the increase posted in the spring period. This is lower than the 3.9 percent gain in the Consumer Price Index (CPI) for food-away-from-home during the June-July-August quarter. This difference may indicate that consumers ordered fewer and less expensive menu items and allocated more visits to fast food establishments.

Percent change in quarterly CREST sales*
(summer 1983–summer 1985)



*Sales based on total U.S. average for two-week period each quarter.
Note: Percent change is from the same period in prior year.
Source: CREST *Household Report*, GDR/CREST Enterprises.

Traffic rose at all meal periods . . .

Traffic rose at all meal periods in the summer quarter, but breakfast continued to steal the show. Traffic leaped an impressive 11.2 percent at the morning meal, while dinner traffic advanced a moderate 3.3 percent, and lunch traffic increased a modest 1.6 percent.

The advance in customer counts at breakfast is significantly larger than the 3.0 percent gain posted in the March-April-May quarter. However, it is smaller than the 14.2 percent increase recorded in the winter period. The advances in dinner and lunch traffic are a considerable improvement from the spring quarter when customer counts at both meal occasions declined—down 1.2 percent and 4.0 percent, respectively. The gains in customer counts for all three meal occasions may result from higher employment and increased income during the summer months. In addition, increased vacation travel this past summer helped boost traffic at all meal occasions.

Breakfast highlights:

- Sales for the morning meal jumped a substantial 13.3 percent.
- The average check size for breakfast advanced 2.2 percent to $2.28.
- Visit frequency edged up 0.6 percent, and penetration

increased a higher 8.9 percent.

Dinner highlights:

- Sales at the evening meal advanced 6.0 percent.
- The average per person check size rose 2.7 percent to $4.63.
- Visit frequency increased 1.1 percent, but the number of households purchasing dinner away from home did not change.

Lunch highlights:

- Lunch sales rose 3.8 percent.
- The per person check size averaged $3.10—up 2.0 percent.
- The average number of times households ate lunch out inched up 0.2 percent, and penetration climbed a smaller 0.1 percent.

Traffic at quick service restaurants increases . . .

Quick service restaurants posted a 6.7 percent advance in traffic during the June–July–August period. However, the other two major restaurant categories posted declines in customer counts. Traffic at upscale establishments dipped 0.2 percent in the summer period, and customer counts at midscale restaurants fell 0.9 percent. Quick service establishments have benefited from rising sales and traffic at breakfast as well as consumers' continued desire for a quick, inexpensive meal.

Across the board, ethnic restaurants continue to boast impressive gains in customer counts, and ethnic quick service restaurants have made especially noteworthy gains. In addition, establishments specializing in ice cream and barbeque made strong showings.

Quick service restaurant highlights:

- Quick service restaurant sales jumped 9.3 percent. Impressive gains in traffic and visit frequency contributed to this growth.
- The number of occasions on which promotions were used approached 12.0 percent versus 12.5 percent in the same quarter last year.
- Traffic at ethnic quick service restaurants climbed 8.2 percent. Asian quick service restaurants recorded an especially impressive gain—up 17.7 percent.
- Quick service specialty restaurants recorded a significant 11.5 percent advance in customer counts. Increased traffic at barbeque, chicken and pizza establishments led to this increase.

Upscale restaurant highlights:

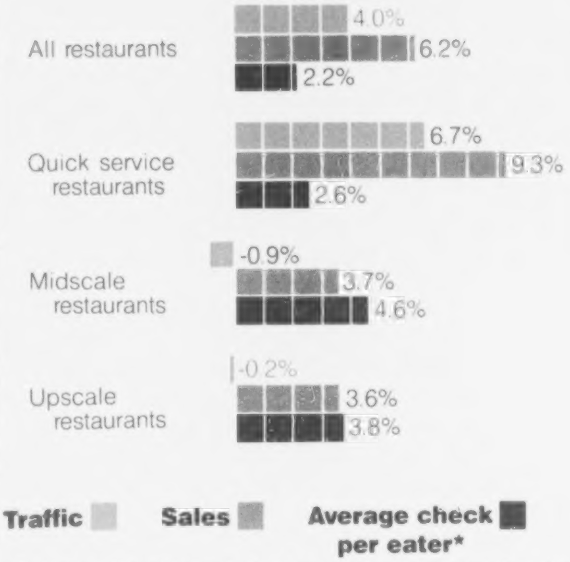
- Sales at upscale establishments increased 3.6 percent in the summer period. This compares to a smaller 0.7 percent advance in the spring.
- Deals were used on 7.9 percent of the occasions versus 8.3 percent of the occasions one year earlier.
- Customer counts at upscale ethnic restaurants rose 1.1 percent. Mexican and Asian establishments experienced the most positive gains in traffic.
- Specialty upscale restaurants posted a moderate 2.6 percent advance in traffic. However, establishments specializing in barbeque recorded a whopping 44.2 percent traffic increase.
- Traffic at upscale hotel restaurants climbed 2.7 percent in the summer months.

Midscale restaurant highlights:

- Sales at midscale restaurants advanced only 3.7 percent.
- Promotional usage increased to 7.7 percent in the summer, down from 8.0 percent last year.
- Midscale family style restaurants posted a healthy 6.1 percent gain in traffic.
- Customer traffic at midscale sandwich and Mexican establishments advanced 7.2 percent and 5.3 percent, respectively.

-Susan Adelman

Summer quarter performance by restaurant segment



**The average check per eater for all restaurants also reflects information from unreported segments.*

Note: Percent change is from same quarter in prior year.

Source: CREST *Household Report*, GDR/CREST Enterprises

What is CREST?

Launched in September 1975, the CREST (Consumer Reports on Eating Share Trends) survey is designed to track expenditures and behavior in the commercial segment of the foodservice industry, including information by type and classification of restaurant and also by meal or snack period.

Approximately 10,000 families and 2,800 non-family households representing demographic patterns in the U.S. have been selected to participate in the study. Each household is asked to record every meal and snack experience during a particular two-week period for each of the four quarters of the year. Detailed entries are required for meals eaten or purchased away from home in establishments such as restaurants, hotels and motels, fast food/drive-ins, delicatessens, refreshment stands, carryouts, coffee shops, donut shops, ice cream shops or eating places inside variety stores or other retail stores. The diary does not include any meals eaten at schools, hospitals, colleges and or other institutional feeding places.

CREST information can help restaurateurs compare their operation's performance with that of the total industry as well as with specific restaurant categories (quick service, midscale or upscale restaurants).

The CREST study can also provide valuable information concerning consumer behavior, such as how much people spend, where they spend and when they spend. And, because it is an ongoing study, CREST information allows comparison against a standard—an aid in the development of trend analysis.

Readers wishing more information on the CREST study should contact GDR/CREST Enterprises, one of the NDP group of marketing and research companies, 1300 W. Higgins Rd., Park Ridge, IL 60068-5798.

Microwave market heats up

This article presents a first look at results from a special analysis conducted by Gallup for NRA, which explored the eating out behavior of microwave owners versus that of non-owners. NRA will continue to monitor these two groups to determine the effect of microwave ownership on eating out behavior. Reports will be published periodically in the* **NRA NEWS.**

More and more consumers are warming up to the convenience of microwave ovens. The number of households that own microwaves has more than tripled in the past five years. According to Gallup, in 1980, 13 percent of all households owned microwave ovens. By 1985, that figure had jumped to 41.5 percent. And this trend is expected to continue. Because today's microwave is more sophisticated yet less expensive than its predecessors, more consumers will be able to afford microwave ovens in the future.

Who owns microwave ovens . . .

According to the Gallup survey, four out of 10 individuals owned microwave ovens in 1985. A slightly larger proportion of males

Eating out behavior for microwave non-owners

Demographic segment	Percent who ate out yesterday	Weekly restaurant visits*			
		None	1–2	3–4	5 or more
All non-owners	33.0%	23.5%	43.8%	17.0%	14.3%
Income					
Under $30,000	31.2%	26.2%	44.0%	16.1%	12.2%
$30,000 and over	44.2	11.4	43.7	21.4	23.0
Household size					
1	33.3%	26.8%	35.5%	17.6%	18.4%
2	31.2	24.8	44.2	16.5	12.7
3 or more	34.2	20.6	47.9	17.5	13.3
Age					
18-34	41.4%	11.6%	46.7%	22.3%	18.9%
35-49	35.3	19.0	46.2	16.8	16.7
50 and over	23.8	37.9	39.9	11.6	8.6

**Percent of respondents.*

Source: NRA/Gallup Special Analysis of Microwave Owners, Spring 1985.

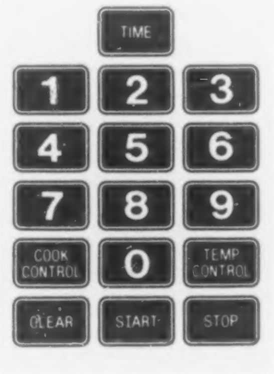
Eating out behavior for microwave owners

Demographic segment	Percent who ate out yesterday	Weekly restaurant visits*			
		None	1–2	3–4	5 or more
All owners	41.6%	12.6%	53.8%	17.7%	15.3%
Income					
Under $30,000	38.2%	15.5%	56.2%	15.8%	11.7%
$30,000 and over	48.3	6.6	53.2	20.5	19.4
Household size					
1	49.8%	10.8%	40.6%	22.0%	26.1%
2	38.9	13.6	53.6	18.3	13.9
3 or more	41.8	12.5	56.0	16.7	14.2
Age					
18-34	47.5%	8.4%	53.2%	19.5%	18.4%
35-49	42.1	11.9	55.8	16.0	16.2
50 and over	34.4	18.1	52.4	17.4	10.8

**Percent of respondents.*

Source: NRA/Gallup Special Analysis of Microwave Owners, Spring 1985.

Results from NRA/Gallup's special analysis suggest that microwave owners from all demographic segments are more likely to eat out than their counterparts who do not own microwaves.



than females live in households that own microwaves, 42.6 percent versus 40.5 percent.

Other demographic groups which report a high incidence of microwave ownership include upper income households, married couples, working women, households with children and people 35 to 49 years of age.

Trends in microwave ownership . . .
Although microwave ownership penetrated the upper income, baby boom, highly educated and working woman market segments first, it is now spreading to other demographic groups. Older individuals, singles and lower income households represent an expanding part of the microwave market. The results of a microwave ownership study conducted by the Market Research Corporation of America (MRCA) indicated that an increasing number of consumers in these groups own microwave ovens.

Uses of microwave ovens . . .
Consumers use microwave ovens in a variety of ways. Recent studies suggest that many consumers use their microwave ovens for thawing frozen foods and for heating frozen gourmet dinners. Microwaves are also used to warm up beverages, such as tea and coffee, and to reheat leftovers. Many consumers cook vegetables as well as main meals in their microwaves. A few use their microwaves for baking.

How microwaves affect eating-out behavior . . .
Do microwave owners eat out less often than consumers who do not own a microwave oven? No. In fact, they are more likely to eat out. When surveyed, 41.6 percent of the microwave owners said they had dined out the day before, compared with a lower 33 percent of non-owners. This makes sense because, according to results from the NRA/Gallup report, the demographic profile of microwave owners is nearly identical to that of frequent restaurant patrons.

Microwave owners also eat out more frequently in one week than non-owners. Over half the consumers who owned microwaves (53.8 percent) ate out at least twice a week, versus a lower 43.8 percent of the non-owners.

Singles are the only demographic group that eat out often but do not report high levels of ownership. However, as mentioned, microwave penetration among this segment is on the rise.

Future effects of microwave ownership . . .
It is unclear how microwave ownership will affect eating out behavior in the future. Although at present microwave owners also tend to be frequent restaurant patrons, the pattern may shift as microwave ovens become more affordable and penetrate lower income households and older demographic groups. These segments tend to eat out infrequently, and microwaves may encourage even less frequent patronage.

—*Sallie Adams*

**Each month the Gallup Organization includes a question on its "Monitor of Eating Away from Home" concerning microwave oven ownership. The National Restaurant Association commissioned Gallup to perform a special analysis of microwave ownership for specific demographic groups and their incidence and frequency of eating out. The results reported here are for the spring quarter (March, April, May) of 1985.*

Restaurants reflect regional tastes

This article summarizes information from the fourth annual RE-COUNT® study, produced by Restaurant Consulting Group, Inc. Included in this study is information on the distribution of restaurants across the country, featuring 47 restaurant types in each of the nine census regions as well as the total United States.

The types of restaurants consumers are likely to encounter across the country vary from region to region. Each area of the country has its own special combination of restaurant types that is based, to a large extent, on regional tastes and preferences.

Where restaurants are located . . .
The Pacific and East North Central regions have the largest proportion of restaurants in the U.S: Approximately 16.6 percent of the nation's restaurants are located in each of the two regions. In addition, slightly lower proportions of restaurants are located in the Mid-Atlantic and South Atlantic regions, 15.2 percent and 14.9 percent, respectively. In contrast, the East South Central has the fewest restaurants in the country—only 4.9 percent of all restaurants are located there.

Total U.S. restaurants by region—1985

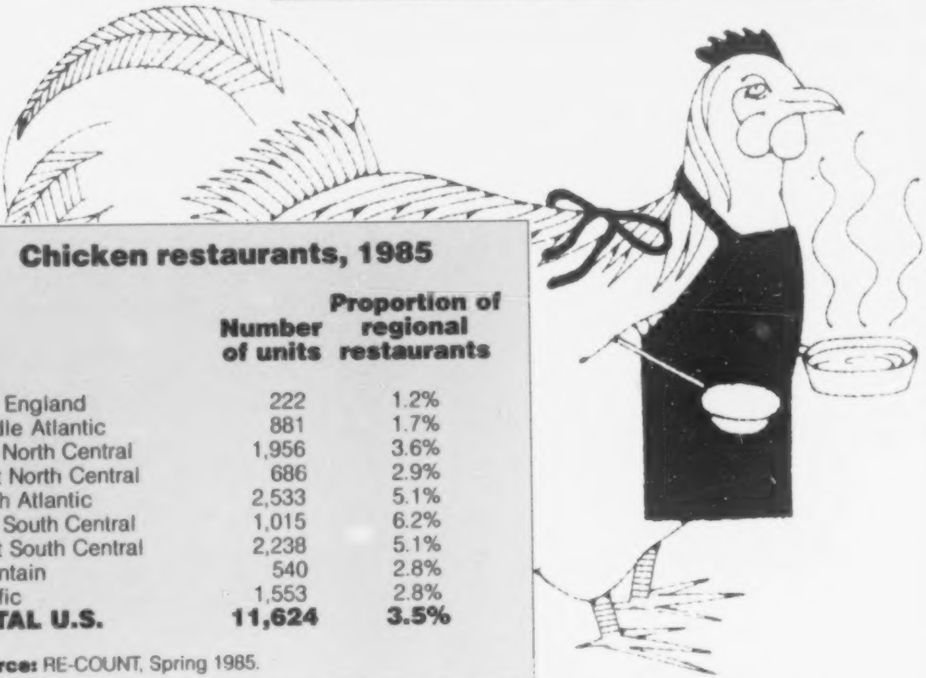
Region	Percent of total	Number of units
New England (CT, ME, MA, RI, VT)	5.6%	18,440
Mid-Atlantic (NJ, NY, PA)	15.2	50,357
East North Central (IL, IN, MI, OH, WI)	16.6	54,987
West North Central (IA, KS, MN, MO, NE, ND, SD)	7.1	23,624
South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV)	14.9	49,441
East South Central (AL, KY, MS, TN)	4.9	16,287
West South Central (AR, LA, OK, TX)	13.3	44,039
Mountain (AZ, CO, ID, MT, NV, NM, UT, WY)	5.8	19,230
Pacific (AK, CA, HI, OR, WA)	16.6	55,125
TOTAL	**100.0%**	**331,530**

Source: RE-COUNT, Spring 1985

Mexican restaurants, 1985

	Number of units	Proportion of regional restaurants
New England	151	0.8%
Middle Atlantic	497	1.0%
East North Central	1,415	2.6%
West North Central	873	3.7%
South Atlantic	1,030	2.1%
East South Central	326	2.0%
West South Central	2,873	6.5%
Mountain	1,426	7.4%
Pacific	4,443	8.1%
TOTAL U.S.	**13,034**	**3.9%**

Source: RE-COUNT, Spring 1985.



Chicken restaurants, 1985

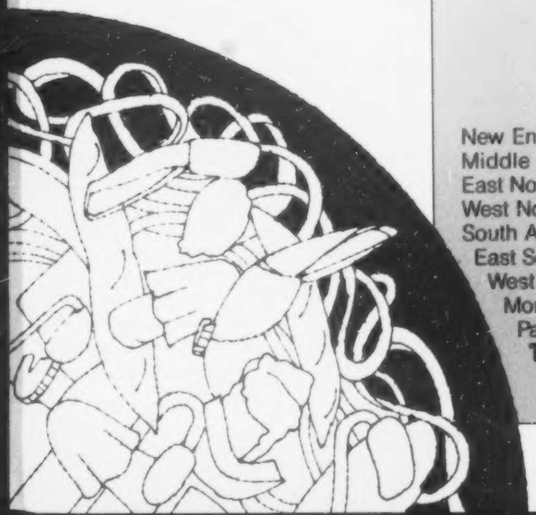
	Number of units	Proportion of regional restaurants
New England	222	1.2%
Middle Atlantic	881	1.7%
East North Central	1,956	3.6%
West North Central	686	2.9%
South Atlantic	2,533	5.1%
East South Central	1,015	6.2%
West South Central	2,238	5.1%
Mountain	540	2.8%
Pacific	1,553	2.8%
TOTAL U.S.	**11,624**	**3.5%**

Source: RE-COUNT, Spring 1985.

Asian restaurants, 1985

	Number of units	Proportion of regional restaurants
New England	822	4.5%
Middle Atlantic	2,987	5.9%
East North Central	1,730	3.1%
West North Central	726	3.1%
South Atlantic	1,872	3.8%
East South Central	325	2.0%
West South Central	1,345	3.1%
Mountain	792	4.1%
Pacific	4,076	7.4%
TOTAL U.S.	**14,675**	**4.4%**

Source: RE-COUNT, Spring 1985.



Most popular restaurant types . . .

Pizza restaurants are still the number one favorite, according to RE-COUNT study results. In spring 1985, 10.8 percent of all restaurants in the U.S. were pizza establishments, up somewhat from a 10.3 percent share in 1984.

Hamburger restaurants continue to rank second, accounting for 8.5 percent of all eating establishments in the country, but they have lost some of their share, dropping from an 8.8 percent share of all restaurants in 1984.

Ice cream restaurants are the third most popular restaurant type in the nation, representing 6.0 percent of all restaurants. This is identical to their proportion in 1984.

The number of ethnic restaurants continues to grow at a fast pace, with especially strong expansion by Asian and Mexican restaurants. The share of Asian restaurants was 4.4 percent earlier this year—up from 4.1 percent in 1984. Mexican restaurants continue to capture a 3.9 percent share of U.S. restaurants.

Regional Highlights . . .

New England

- Pizza restaurants are highly concentrated in the New England region, accounting for 14.0 percent of all restaurants.
- Asian restaurants comprise a relatively large proportion of the restaurants in the New England region—4.5 percent.
- Hamburger restaurants are less popular in this area than in any other region of the country. Only 4.4 percent of all restaurants in the New England region are hamburger establishments.
- New England states have a below average share of chicken restaurants—1.2 percent versus a 3.5 percent

average for the total U.S.

- This region has an above average proportion of sub shops and full menu establishments.

Middle Atlantic

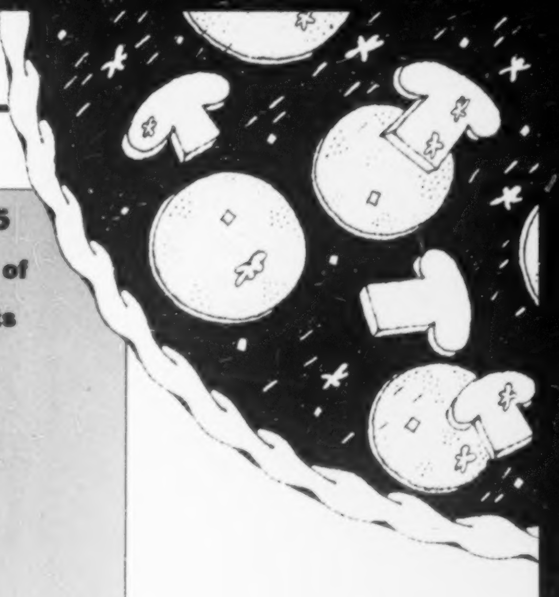
- The Middle Atlantic region has the highest proportion of pizza restaurants in the nation—14.6 percent.
- Hamburger restaurants are declining in importance. They represented 4.9 percent of all restaurants in the region in 1985, down from 5.1 percent in 1984.
- The proportion of Asian restaurants in the Middle Atlantic states is above average—5.9 percent.
- The Middle Atlantic region boasts an above average share of Italian restaurants—2.2 percent versus a national average of 1.3 percent.
- There is a below average representation of steak restaurants and barbeque places in the Middle Atlantic states.

East North Central

- Pizza restaurants represent the largest share in the East North Central restaurant marketplace—14.0 percent. In addition, approximately one out of five of all pizza places in the nation are located in this region.
- Hamburger restaurants are also very popular in the East North Central region, representing nine percent of the restaurants.
- There is an above average proportion of chicken restaurants in the East North Central states.
- Approximately one out of five ice cream places is located in the East North Central area.

West North Central

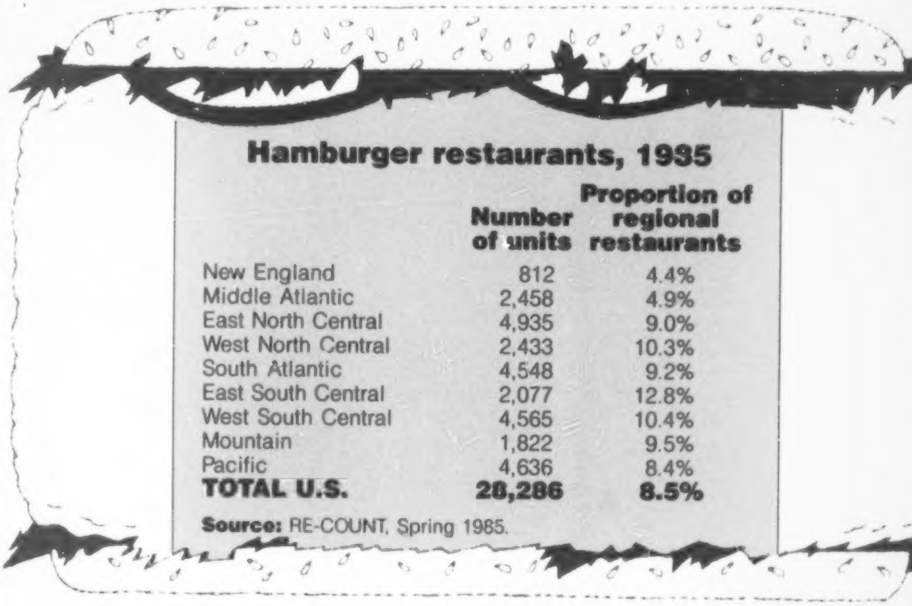
- Hamburger restaurants and pizza restaurants are tied for first place in the West North Central region, representing 10.3 percent and 10.4 percent of restaurants, respectively.



Pizza restaurants, 1985

	Number of units	Proportion of regional restaurants
New England	2,576	14.0%
Middle Atlantic	7,343	14.6%
East North Central	7,681	14.0%
West North Central	2,457	10.4%
South Atlantic	4,724	9.6%
East South Central	1,493	9.2%
West South Central	3,001	6.8%
Mountain	1,868	9.7%
Pacific	4,627	8.4%
TOTAL U.S.	**35,770**	**10.8%**

Source: RE-COUNT, Spring 1985.



Hamburger restaurants, 1985

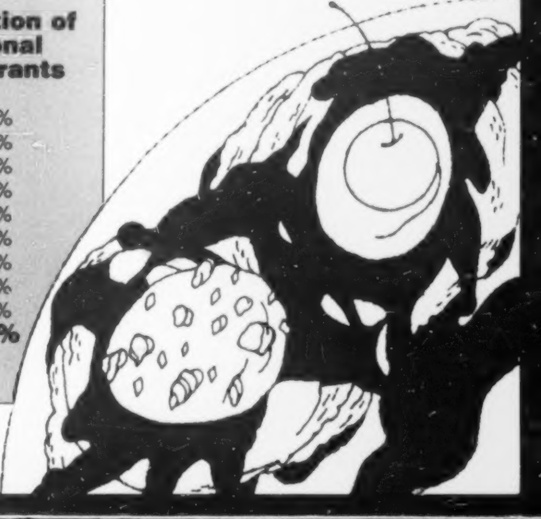
	Number of units	Proportion of regional restaurants
New England	812	4.4%
Middle Atlantic	2,458	4.9%
East North Central	4,935	9.0%
West North Central	2,433	10.3%
South Atlantic	4,548	9.2%
East South Central	2,077	12.8%
West South Central	4,565	10.4%
Mountain	1,822	9.5%
Pacific	4,636	8.4%
TOTAL U.S.	**28,286**	**8.5%**

Source: RE-COUNT, Spring 1985.

Ice cream restaurants, 1985

	Number of units	Proportion of regional restaurants
New England	1,086	5.9%
Middle Atlantic	2,713	5.4%
East North Central	3,747	6.8%
West North Central	1,744	7.4%
South Atlantic	2,778	5.6%
East South Central	1,078	6.6%
West South Central	2,786	6.3%
Mountain	1,154	6.0%
Pacific	2,784	5.1%
TOTAL U.S.	**19,870**	**6.0%**

Source: RE-COUNT, Spring 1985.



- Ethnic restaurants are growing in popularity. The proportion of all ethnic restaurants in this region increased from 7.8 percent in 1984 to 8.1 percent in 1985.
- The West North Central states have the smallest percentage of fish/seafood restaurants in the country—1.4 percent.

South Atlantic

- Pizza restaurants have a slight edge over hamburger restaurants in this region, representing 9.6 percent and 9.2 percent of restaurants, respectively.
- The South Atlantic region has the highest concentration of fish/seafood restaurants in the United States—4.7 percent.
- Chicken restaurants are also popular in this region. Approximately 5.1 percent of all eating establishments in the South Atlantic states are chicken restaurants.
- Other above average concentrations in this region include steak restaurants, family style establishments, pancake restaurants and cafeterias.

East South Central

- There are substantially more hamburger restaurants in this region than pizza restaurants—12.8 percent versus 9.2 percent.
- The East South Central region has the highest concentration of chicken restaurants in the United States—6.2 percent.
- The smallest proportion of Asian restaurants in the country is in the East South Central area—two percent.

West South Central

- Hamburger restaurants are by far the most popular restaurant type in the West South Central region, representing one out of 10 (10.4 percent) eating establishments.
- Pizza places rank second in this region, accounting for 6.8 percent of all restaurants.
- Mexican restaurants are a close third, representing 6.5 percent of all restaurants in the West South Central states.
- More than one-third of all barbeque outlets in the nation are located in the West South Central region.
- Least popular are delis and full menu restaurants with below average concentrations.

Mountain

- Pizza restaurants and hamburger restaurants are tied for first place in the Mountain area, representing 9.7 percent and 9.5 percent, respectively.
- Mexican restaurants are also popular in this region, representing 7.4 percent of all restaurants. This is the second largest proportion among the nine regions.
- Asian restaurants continue to gain in popularity in the Mountain states. In 1985, 4.1 percent of all restaurants in this region were Asian establishments, compared with a lower 3.7 percent in 1984.
- The Mountain region has an above average proportion of donut shops and specialty menu restaurants.

Pacific

- The Pacific region has the highest proportion of Mexican and Asian restaurants in the U.S. 8.1 percent and 7.4 percent, respectively. In fact, more than one-third of all Mexican restaurants and almost three out of 10 Asian establishments in the country are located here.
- Hamburger outlets and pizza places represent an equal share of this region's restaurants—8.4 percent.
- The Pacific states have an above average proportion of delis, donut shops and Italian restaurants.
- There are below average proportions of fish/seafood, chicken and barbeque restaurants in the Pacific area.

—*Sallie Adams*

Number and proportion of restaurant types across the U.S. in 1985

Restaurant type	Number of units	Proportion of total
Pizza	35,770	10.8%
Hamburger	28,286	8.5
Ice cream	19,870	6.0
Asian	14,675	4.4
Mexican	13,034	3.9
Family style	12,702	3.8
Cafes	11,993	3.6
Chicken	11,624	3.5
Fish/seafood	9,121	2.8
Steak	8,144	2.5
Donut	6,980	2.1
Barbeque	5,947	1.8
Other sandwich	4,645	1.4
Subs	4,641	1.4
Italian	4,438	1.3
Deli/bagel	3,875	1.2
Coffee shops	3,799	1.1
Refreshment and snacks	3,617	1.1
Specialty[1]	3,025	0.9
Hot dogs	2,971	0.9
Cafeteria	2,795	0.8
Other ethnic[2]	2,668	0.8
Grills	2,522	0.8
Diners	2,518	0.8
Roast beef	2,404	0.7
Luncheonettes	2,373	0.7
Upscale	2,119	0.6
Pancake/waffle	1,911	0.6
French	1,323	0.4
Truck stop	902	0.3
Unclassified	100,838	30.5
TOTAL	**331,530**	**100.0%**

[1] *Includes crepe, natural/vegetarian, yogurt, potato, pretzel, soup, chili, biscuit and fondue restaurants.*

[2] *Includes: German, Spanish, Greek, Indian and soul food.*

Source: RE-COUNT, Spring 1985.

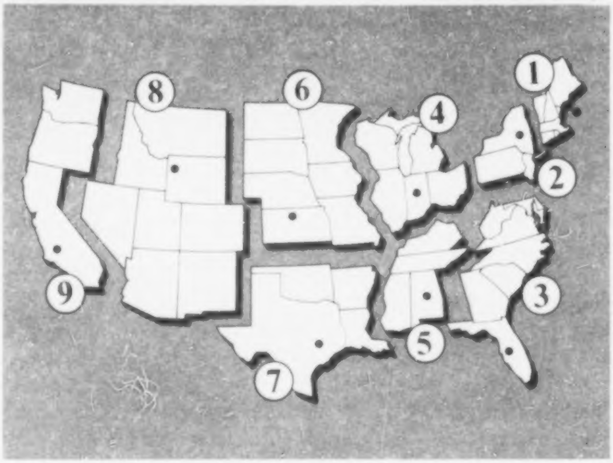
[*] *The RE-COUNT study was compiled by Restaurant Consulting Group, Inc., from a variety of sources, including government information and credit reporting services as well as white and yellow page phone directories. This year, RE-COUNT used a more comprehensive method of counting restaurants. As a result, the proportional increase in the number of restaurants between 1984 and 1985 is overstated. Restaurant Consulting Group feels that approximately one-third of the new restaurants recorded in 1985 were in operation in 1984 but were not counted.*

NRA's restaurant count differs somewhat from the RE-COUNT study due to variations in classification. Difficulties in accurately identifying restaurants across the country account for the large proportion of unclassified units. This is the fourth year of the study, and the unclassified segment is decreasing as data collection methods improve. **NRA NEWS** *reviewed the first RE-COUNT study in the September 1983 issue.*

How's Business?

by Cecelia Niepold

Here is a sample of how some operators handle problem customers across the country.



1
NEW ENGLAND

Location: Portland, ME
NRA member: David Evans
Operation: The Lost Bear
Profile: Fullservice restaurant
In business: 6 years
Seats: 160
Meals served: Sunday brunch, lunch, dinner

"Fall is generally our busiest time of the year so business has been good," says **David Evans,** owner of The Lost Bear.

The Lost Bear has an informal atmosphere, serving light fare at lunch and full dinners at night. The menu includes more than 100 entrees, including specialty sandwiches, salads and various ethnic dishes.

Creative promotions add to the restaurant's lively personality. Upcoming events include a chocolate festival and the annual "Annibearsary," which celebrates the restaurant's opening. Wait staff uniforms also contribute to the fun and change to complement various themes. At a recent chili festival, staff wore Western attire and offered a variety of chili recipes, including the unusual Buzzard Breast Chili.

When faced with a problem customer, Evans does all he can to appease the patron, but he does believe that some customers are just chronic complainers. For instance, one customer complains every time she comes in, insisting she is a food critic who deserves top-notch service. Although Evans and his staff know she is actually a dental assistant who just wants attention, they still treat her respectfully.

2
MIDDLE ATLANTIC

Location: Kingston, NY
NRA member: Christa Bolter
Operation: The Jolly Cow Drive-In
Profile: Limited menu eatery
Seats: 9 picnic tables
Meals served: Lunch, dinner
In business: 3 years

"Business was terrific this year," says **Christa Bolter,** owner of The Jolly Cow Drive-In. Located in a non-winterized building in upstate New York, the eatery is only open between March and October. Bolter attributes her good season to an expanded menu. Originally serving only soft ice cream, hot dogs and hamburgers, she has added daily homemade specials, including sandwiches, soups and quiches.

Early in Bolter's ownership a tragedy occurred—someone stole the rare life-sized fiberglass cow that decorated the front of the drive-in. Faced with the decision whether or not to invest in a new cow, Bolter surveyed her customers. Customers responded with an overwhelming, "Yes!" So Bolter bit the bullet and bought a new one. Now patrons climb on the new cow, sit on it and even have their pictures taken with it.

3
SOUTH ATLANTIC

Location: Valrico, FL
NRA member: William Robinson
Operation: Fat Willie's Fish Camp
Profile: Fullservice restaurant
In business: 10 years
Seats: 150
Meals served: Lunch, dinner

"Business has been slower than normal," says **William Robinson,** owner of Fat Willie's Fish Camp. Located outside Tampa, Robinson believes the rapid growth of new restaurants in the area may have dampened business.

To offset the slow business, Robinson has developed different kinds of advertising. For instance, taking advantage of the area's growing population, he sends every new resident a welcome letter that offers them a complimentary dinner at Fat Willie's.

Built in an original 1890 general store, the restaurant is nestled among towering oaks on the outskirts of town. The menu reflects the establishment's country setting, offering lightly breaded catfish, turnip greens, fried okra and hush puppies.

Robinson handles each problem customer individually. "No two situations are alike," he says. It is the person that quietly mentions a problem on the way out the door that most concerns Robinson. "We don't have much opportunity to fix whatever was wrong at that point," he says.

4
EAST NORTH CENTRAL

Location: Indianapolis, IN
NRA member: Cynthia Tabbert
Operation: Canary Cafe
Profile: Fullservice restaurant
In business: 2 years
Seats: 50
Meals served: Breakfast, lunch

"Business is going well and growing nicely," says **Cynthia Tabbert,** owner of the fledgling Canary Cafe. Tabbert started out serving only breakfast and lunch on weekdays at her downtown cafe. Because of steady growth, she has now ventured into catering, is testing the dinner market and plans to offer weekend service soon. Downtown Indianapolis is experiencing a resurgence, which is contributing to her restaurant's expansion.

The Canary Cafe, reflecting its name, is bright and cheery, with yellow- and white-checked curtains, lots of greenery and even a canary cage.

Due to limited storage,

Tabbert shops daily, ensuring top quality ingredients. Everything is made from scratch, including the signature fresh fruit cobblers. The menu has a slight emphasis on health foods. For instance, a steamed vegetable sandwich, seasoned with herbs is a favorite, and all sandwiches are served with crunchy carrot and celery sticks.

5

EAST SOUTH CENTRAL

Location: Alabaster, AL
NRA member: Nick Cairns
Operation: Meadowlark Farm
Profile: Fullservice restaurant
In business: 7 years
Seats: 90
Meals served: Lunch, dinner

"Business has been very good," says **Nick Cairns,** co-owner of the Meadowlark Farm, located outside of Birmingham. Although unemployment is still quite high in the area, Birmingham's population is growing steadily, which is helping business.

Located in an old farm house, the restaurant has a personal, charming atmosphere. Antiques and fireplaces decorate the seven original rooms that now serve as dining areas.

Fresh, creative dishes are the restaurant's trademark. The menu, which changes frequently, includes veal, quail and various seafood specialties. A variety of baked goods is also prepared daily on premise.

Meadowlark Farm was developed with the idea that dining out should be a form of entertainment. Consequently, service is crisp but definitely not rushed. When the restaurant first opened, some customers complained about not being served right away. In these cases, management offered customers a free drink and explained the restaurant's philosophy.

6

WEST NORTH CENTRAL

Location: Mankato, KS
NRA member: Karen Ross
Operation: Buffalo Roam Steak House
Profile: Family restaurant
In business: 20 years
Seats: 250
Meals served: Lunch, dinner

"Things are down. We just saw the slowest month in about five years," says **Karen Ross,** who owns the Buffalo Roam Steak House with her husband, John. Located in a small community of 1,200 people in the middle of the farm belt, the restaurant has been affected by the depressed farm economy. Although Ross is optimistic that things will turn around, she believes there may be a shake out in the restaurant sector.

The restaurant has expanded three times in the 20 years it has been open. The Ross' also have broadened the menu periodically to keep up with the times. For instance, to accommodate the above-average Saturday night traffic and reduce the back up in the kitchen, they decided to offer an extensive buffet featuring roast beef, seafood and chicken. Now more than 40 percent of the Saturday night guests enjoy the buffet, and customers ordering from the menu do not have a long wait.

Ross instructs waitresses to give customers a fresh plate if they complain about the food before they finish their meal. Complainers who clean their plates are only treated to a courteous apology.

7

WEST SOUTH CENTRAL

Location: College Station, TX
NRA member: Allen Scazzero
Operation: The Cow Hop
Profile: Fast food restaurant
In business: 7 years
Seats: 90
Meals served: Lunch, dinner

Although his business is doing well, **Allen Scazzero,** owner of The Cow Hop, says the local economy has slowed down. Like nearby Houston, College Station experienced a period of accelerated growth, but expansion has flattened out.

The Cow Hop caters to students—a lucrative market since Texas A&M, with 35,000 students, is located in town.

The menu is limited, but the decor makes the eatery different from most fast food places. The building has a Western, somewhat barnlike look, and the booths have been fashioned to look like cow stalls.

8

MOUNTAIN

Location: Teton Village, WY
NRA member: T.P. Mahin
Operation: Mangy Moose Restaurant and Saloon
Profile: Fullservice restaurant
In business: 17 years
Seats: 135
Meals served: Dinner

"Business was pretty decent this summer," says **Wayne Whitney,** general manager at the Mangy Moose Restaurant and Saloon. Located 15 miles from Jackson Hole, the restaurant has two distinct seasons: the summer-tourist period and the winter skiing trade. Consequently, the restaurant closes for six weeks in the fall and spring between seasons.

The restaurant has a comfortable eclectic atmosphere, enhanced by huge pine beams and unique decorative accents. For instance, a large, almost full-size World War I triplane hangs from the ceiling. Old movie posters dot the walls, along with framed sheet music and stuffed animal heads.

9

PACIFIC

Location: La Habra, CA
NRA member: Blair Salisbury
Operation: Cat and The Custard Cup
Profile: Fullservice restaurant
In business: 6 years
Seats: 132
Meals served: Lunch, dinner

Although September and October are generally slower months, business has been pretty good, says **Blair Salisbury,** general manager at the Cat and The Custard Cup.

The restaurant traces its heritage to England, where Salisbury's father came across a similarly named pub. The restaurant's decor—brick walls, fireplaces, comfortable booths and high-backed chairs—reflects its British influence. The menu includes some English dishes, such as Yorkshire pudding, but it also offers a variety of other continental entrees. A non-English addition, an exhibition kitchen, adds to the eatery's lively ambiance.

The restaurant offers a variety of wines by the glass and often hosts special wine tasting dinners. For these ticketed events, wines are provided by local wineries.

FOOD FOR THOUGHT

The people's choice

Many operators argue that restaurant critics are hardly qualified to decide which establishments customers should or should not patronize. New Yorkers Tim and Nina Zagot agree, so they have collected opinions from the reviewers that count—the dining out public.

The *Zagot New York City Restaurant Survey* is an annual compilation of some 1,000 people's opinions about New York City restaurants. Started six years ago as a one-page mimeographed sheet, the 1985 edition is 96 pages long and is filled with New Yorkers' preferences about where to get the best food, the best atmosphere, the best at the best prices. The 1,000 critics are all avid restaurant-goers who were either contacted by the Zagots or heard about the survey and asked to participate.

According to Tim Zagot, the pair began the survey "as a reaction to the long-winded unreliability of the city's food critics." Just how popular is the little red book that publishes survey results? Bookstore owners throughout the city report a sellout as soon as the book is stocked.

—Avenue Magazine

Critical kids

Fourth grade students at New York's Dalton School wanted to know: "What do you do if the dish you order at a restaurant is well made, but you just think that kind of food is yucky?" So their teacher sent them on an assignment to their favorite restaurants, asking them to record their observations and opinions just as a professional restaurant reviewer would.

The nine-year-old critics had definite opinions regarding service in restaurants: "I was seated in 30 minutes (growl)." "A good waitress knows whose food is whose and lets you change your mind while you are ordering."

But they were most descriptive when it came to food: "Chicken legs were the size of very small scoops of ice cream." "I thought the Funghi Alla Romana tasted like erasers dipped in rubber cement." "The lobster had a variety of textures, from tender to mush." "The food is arranged nicely on your plate with room to cut, and the vinaigrette is as creamy as fresh buttermilk."

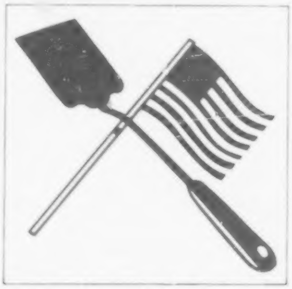
And, finally, from one satisfied reviewer: "Nothing had a smell."

—The New York Times

I'll take two Whoppers, four fries and—don't I know you?

Business was up 15 percent at a Burger King restaurant in Fort Lauderdale, FL, one day this summer, even though there was a brand new crew member working behind the counter.

Florida Governor Bob Graham, wearing a Burger King apron and cap, spent an entire day serving Whoppers and fries to hundreds of customers as part of his ongoing Work Day program. Although the program has enabled the governor to experience 175 different jobs throughout the state, this was his first experience in a fast food restaurant.



During his day at Burger King, Governor Graham worked several positions so he could get a feel for the restaurant's overall operation. He even viewed the company's video training program, which is shown to all new employees.

"The Governor was a very quick learner," reported Marc Hannon, manager of restaurant operations. Responded the Governor, "I have to be conscientious. In my business, you have to keep your options open."

—Burger King

Live, from your restaurant

Once a month, radio listeners in Philadelphia, PA, can tune in to WCAU-FM and hear an unusual sort of restaurant review broadcast live from the restaurant itself. Food critics Frank and Mary Jelinek do the broadcasts at a different restaurant each month, reaching 950,000 listeners who tune in to the station's "Dining Around" program. The Jelineks interview owner and chef as well as other staff members and take phone-ins from listeners. Thirty couples are invited to each broadcast and receive lunch on the house, while the radio station pays for a series of ads which promote the restaurant.

Operators report that the show is an excellent vehicle for developing both local and out-of-town business. According to the Jelineks, the show could be easily produced in any area; all that is needed is a cooperative agreement between a radio station and local restaurants.

—Briefing newsletter

INFO 86

Save $50: Register before December 15

INDEPENDENT FOODSERVICE OPERATORS' NATIONAL CONFERENCE

If you are an independent operator, you know that your problems are not the same as the chain operation next door. Your resources are limited and so is your capital. You need to make every decision count and you count every dollar. You could use another five hours in every day and you seem to be dealing with the same five problems again and again.

NRA's **INFO '86** conference is a once-a-year investment in the future of your operation. Designed specially for the Independent Foodservice Operator, restaurateurs from across the country assemble to discuss market opportunities, growth potential, personnel management, perennial problem areas, financing and much more. Mini workshops designed within the framework of the conference allow you to focus on subjects crucial to your operation.

At **INFO '86** you will learn strategies for planning the right moves in today's marketplace.

1985–1986 NRA
National Conference Series

NRA members $550
Non-members $650

Additional attendees from the same company

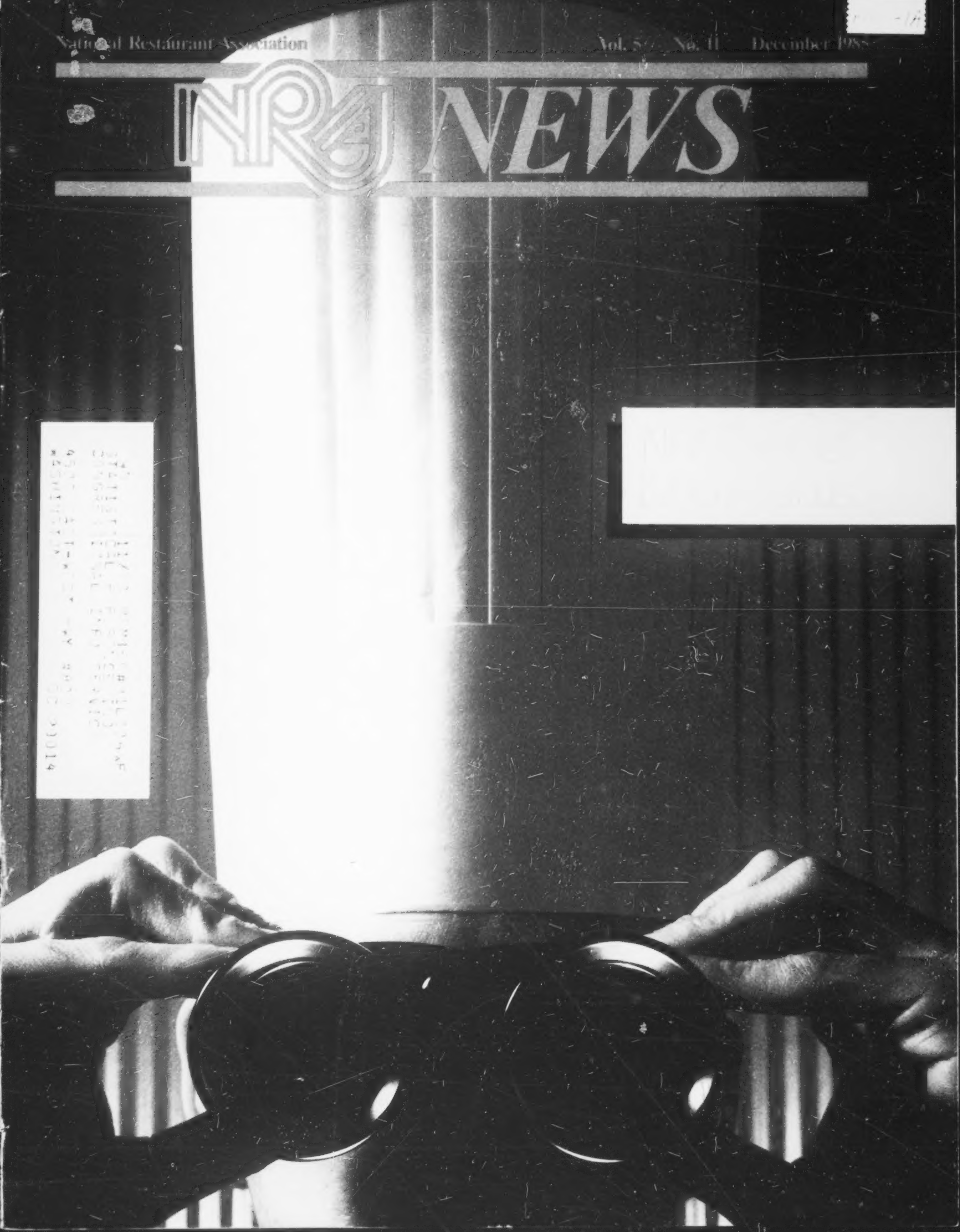
NRA members $250
Non-members $350

For more information, contact NRA Education Programs Department; phone, 800/424-5156 (toll free) or 202/638-6100; write, NRA, 311 First St., N.W., Washington, DC 20001.

ORLANDO, FLORIDA • WYNDHAM HOTEL • SEA WORLD • FEBRUARY 16–19, 1986

National Restaurant Association Vol. 5[illegible] No. 11 December 198[illegible]

NRA NEWS



NRA MEETINGS

NRA NEWS
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Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

2/25	Burlington, VT
3/10	Shreveport, LA

Dining Room Management

1/21	Springfield, VA
1/27	Orlando, FL
2/3	San Antonio, TX
2/4	Austin, TX
3/3	Boston, MA
3/5	Springfield, MA
3/10	Grand Rapids, MI
3/11	Kansas City, MO

Kitchen Management

1/21	Ft. Worth, TX
1/28	Cincinnati, OH
2/4	Springfield, VA
2/6	Atlantic City, NJ
2/27	Indianapolis, IN
3/11	Calgary, Alberta, Canada

People-Power and Profits

2/11	Columbia, SC

Tools for Training

3/4	Boston, MA

Food Production Courses

Perfecting Your Culinary Skills

1/28	Kansas City, MO
2/4	Tampa, FL
2/24	Cincinnati, OH

Simplified Baking Workshop

2/27	Portland, ME
3/11	Baltimore, MD

Soups and Sauces

1/20	Van Nuys, CA
3/3	Boston, MA
3/4	Philadelphia, PA

Foodservice Management Courses

Banquet Management

2/3	Lexington, KY
2/26	Denver, CO

Beverage Management

2/25–26	Newport Beach, CA
3/3–4	Boston, MA

Business Dynamics for Women in Foodservice

2/6	Washington, DC

Introduction to Computers in Foodservice

2/17	Raleigh, NC
3/3	Providence, RI
3/10	Newark, NJ

Creative Buffets

3/4	Boston, MA
3/10	Portland, OR
3/11	Seattle, WA

Employee Motivation

3/4	Williamsburg, VA
3/6	Gatlinburg, TN

Food Cost Management

1/20	Jacksonville, FL
1/22	Atlanta, GA
2/25	Minneapolis, MN
2/27	Cleveland, OH
3/5	Williamsburg, VA

Foodservice Operators' Legal Workshop

2/4	Boston, MA
3/2	Washington, DC
3/5	San Francisco, CA
3/21	Denver, CO

Menu Development

2/26	Baltimore, MD

Negotiating for, and Financing, Foodservice Facilities

2/6–7	San Francisco, CA

Off-Premise Catering

2/10–11	Toronto, Ontario, Canada
3/24–25	Vienna, VA

Operational Analysis

2/25–26	Madison, WI

Planning and Implementing Restaurant Marketing Strategy

1/22–23	Houston, TX
2/25–26	King of Prussia, PA

Real Estate & Restaurant Site Selection

1/21–22	Monterey, CA
2/10–11	Chicago, IL

Restaurant Design and Facilities Planning

3/24–25	San Diego, CA

National Conferences

INFO 86: Independent Operators National Conference

2/16–19	Orlando, FL

National Conference on Computers in Foodservice

3/16–19	Washington, DC

**For more information, contact
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156 or (202) 638-6100**

1986 Study Group Meetings

Foodservice Security Council

1/20–22	Chicago, IL

Safety Officers

1/22–24	Chicago, IL

Large Independent Operators

2/14–16	Orlando, FL

Labor Relations

2/25–26	Memphis, TN

Financial Officers

4/2–5	Lake Tahoe, NV

Tax Executives

4/2–5	Lake Tahoe, NV

Market Research

4/9–11	Atlanta, GA

Management Information Systems (MIS)

4/13–16	Lake of the Ozarks, MO

Internal Audit

5/6–9	Hilton Head, SC

Quality Assurance
May (to be determined)

Foodservice Purchasing Managers

5/14–16	Chicago, IL

Marketing Executives

5/14–17	Chicago, IL

MAECO

5/14–16	Chicago, IL

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June-July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to *NRA NEWS*. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright © NRA 1985. Postmaster, send address change to *NRA NEWS*, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

Ted Balestreri
Co-Owner
The Sardine Factory, Inc.
Monterey, California

1986 industry forecast is positive

Good news: NRA's 1986 foodservice industry forecast estimates sales will climb $11 billion dollars above 1985 levels. Total 1986 sales will reach $186 billion.

Your NRA vice president, Jim Hasslocher and treasurer, Michael Grisanti, joined me last month at a NRA press conference to announce the industry forecast to the national media and trade press. In addition to economic predictions, the press conference focused on current consumer trends. The more than 30 press representatives attending the New York City briefing included *USA Today*, *New Yorker*, *Forbes*, *Time* and *Baltimore Sun*. NRA's forecast is expected to generate wide media coverage focusing on the responsiveness of the industry to current consumer wants and needs.

For a complete look at the *1986 NRA Foodservice Industry Forecast*, turn to page 11 of this issue. I'm personally proud that I am able to represent an industry which can boast of six consecutive years of real growth.

Congress moves on business meal deduction

The future growth of the industry may, however, be in the hands of our representatives in Washington. Just before Thanksgiving, the House Ways and Means Committee produced a tax simplification bill which included a provision limiting the deduction on the business marketing meal.

Intense lobbying by association members as well as NRA staff (letters, phone calls and visits) convinced nearly one-half of the Ways and Mean Committee members to drop this measure from the bill. Unfortunately the deduction limitation bill passed by a narrow two votes majority. Lobbying efforts did result, however, in raising the limit on business meal deduction from 75 percent to 80 percent. The House Ways and Means tax simplification bill must still pass the test in the full House of Representatives.

The battle to exclude the deduction limitation from final legislation is by no means over. NRA is now concentrating its efforts on the Senate Finance Committee which will begin work on its version of the bill early in 1986.

Video on tax plan adds to lobbying efforts

In a further effort to halt the deduction limitation, NRA is producing a video tape in which your officers explain why the limitation is both unjust to the foodservice industry and destructive to the nation's economy. The tape will be distributed to key senators, administration officials as well as the media.

TJTC extension in sight

On a positive note, an extension of the Targeted Jobs Tax Credit (TJTC) was included in the House tax simplification bill. If passed intact, TJTC will receive a two-year extension with some modifications. NRA will work hard to ensure TJTC appears in the final version of the bill.

NRA-PAC newletter sent to membership

NRA's lobbying efforts begin long before a bill is formulated in committee. Our efforts start with the election of representatives. To ensure that the foodservice industry is well-represented in Congress, NRA-PAC contributes to the political campaigns of candidates who understand the foodservice industry and its position in the marketplace.

To keep NRA members up-to-date on NRA-PAC activities, a new newsletter has been inaugurated. The first issue of *Political Actions* will be sent to all association members in December. Look for an overview of upcoming campaigns as well as recent NRA-PAC contributions and an outline of 1986 fundraising efforts.

NRA cosponsors national symposium on liability

In conjunction with Pennsylvannia State University, NRA is cosponsoring a national symposium: *The Crisis in Product and Service Liability*, Washington, DC, January 29. The symposium will focus national attention on the recent escalation of civil court cases involving both product and service liability suits. The effects of the general liability crisis on the restaurant industry will be examined as an integral part of the program. Contact NRA's communications department for more information on the symposium.

Attend INFO 86

The annual NRA Independent Foodservice Operators' National Conference, INFO 86, is quickly approaching (Orlando, FL, February 16–19). If you are an independent operator, you should take this opportunity to meet with hundreds of other foodservice operators from across the country. You will have a chance to discuss similar problems, management techniques, industry trends and plans for the future. Contact NRA's education programs department for more information on the conference.

Update on AIDS

NRA has just completed an update on AIDS as it relates to the foodservice industry. It will be sent to NRA members this month in the form of a Current Issues Report. *Facts about AIDS* is a collection of the latest medical and government information on AIDS and the AIDS panic. Although information distributed by government agencies has quieted public panic, we feel you should be prepared to handle questions and comments from your customers. *Facts about AIDS* includes: steps for handling and eliminating panic, the legal implications involved in employment practices and a summary of the guidelines released by The Center for Disease Control (CDC).

CDC guidelines state that AIDS is not foodborne and is not transmitted in the foodservice environment.

Pocket fact book contains industry data

Your personal copy of NRA's pocket fact book is included in this issue of the ***NRA NEWS.*** The facts and figures in this handy booklet will be useful as you talk to local media or make presentations to community organizations. For additional copies, contact NRA's research department.

During November, 153 foodservice operators and allied suppliers joined us as members of NRA. Welcome. Your participation in NRA will make your business grow and make your association more effective in its endeavors on your behalf.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board.

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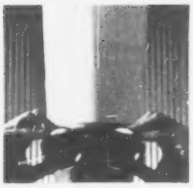
Cover Story: NRA 1986 Industry Forecast



11 NRA focuses on a bright 1986 for the foodservice industry, predicting real sales will rise for the sixth consecutive year and total industry sales will top $185 billion. For a comprehensive overview of the upcoming year, review this year's annual forecast. Find out about consumer and market trends, sales predictions for all segments of the industry plus regional and state 1986 estimates.

Specials

Supermarket Competition 35 Supermarkets are challenging the restaurant industry with increasingly sophisticated take out products. Here is a look at what the competition is offering.

Strategic Planning 37 For all operators, large or small, long-term planning is essential for maintaining long-term profit.

Financial Planning 40 How changes in your cost structure affect your profits. Tips for developing an effective strategic financial plan.

Departments

Short Orders 6 NRA schedules National Symposium: The Crisis in Product & Service Liability for January 29.

Washington Report 7 NRA discusses restaurant central kitchen regulations with USDA; interviews Labor Secretary Brock.

The Law 9 Major legal issues affecting the foodservice industry in 1985; what's ahead in 1986.

How's Business? 45 Special survey of past *How's Business?* contributors reveals regional trends and upcoming plans.

Food for Thought 47 New ingredients become chic in France. A new snack—the tomato chip.

Cover photograph by Gary D. Landsman

SHORT ORDERS

Liability symposium scheduled for January 29

Pennsylvania State University, in conjunction with the National Restaurant Association will sponsor a National Symposium on the Crisis in Product and Service Liability on January 29, 1986, at the J.W. Marriott Hotel in Washington, DC.

The symposium will address the dual problem of widespread liability suits and escalating insurance rates. Representatives from the foodservice industry, the medical profession and city and county governments will discuss the effects of needless litigations and propose solutions. Luncheon speaker Congressman James J. Florio (D-NJ), chairman of the house subcommittee with jurisdiction over the insurance industry, will discuss government response to the crisis. And the liability crisis in the foodservice industry, including suggested courses of action, will be examined as a case in point.

For more information or to register for this important symposium, contact: Liability Symposium, National Restaurant Association, 311 First St., N.W., Washington, DC 20001, or call (800) 424-5156 or (202) 638-6100.

NRA member implements Hospitality Project

The Frankenmuth Bavarian Inn, Frankenmuth, MI, has completed all steps leading to certification under NRA's Hospitality Project, a program which provides restaurant operators and their staffs with measurable standards for quality service.

Under the direction of project coordinator William A. Hart, more than 200 employees at the Bavarian Inn participated in the program. The staff spent over 1,400 hours implementing and customizing the program, undergoing management and service personnel training and listening to motivational hospitality speakers. All employees successfully passed the Hospitality Quiz at the end of the program.

According to Hart, the Bavarian Inn is extremely pleased with the effect the program has had on employees. "It's a big program," he acknowledged, "but it produces big results."

The 1,100-seat restaurant serves traditional German food in a white tablecloth setting.

Book on school foodservice

The third edition of *School Foodservice*, written by Dorothy VanEgmond-Pannell, has been released by AVI Publishing Company. This book has been used by school foodservice managers, planners, dieticians, administrators and educators as a working guide and textbook.

This revision includes updates on new legislation, food production, menu planning and equipment. The marketing and promotion of foodservice and computerization are presented in two new chapters.

Author VanEgmond-Pannell, director of foodservices for Fairfax County, VA, received the Silver Plate in 1981 and the Most Distinguished Pacesetter Award in 1984.

For further information, contact AVI Publishing Company, Inc., Box 831, Westport, CT 06881, or call AVI at (203) 226-0738.

State associations lobby Congress

The presence of various state restaurant associations has been felt more than ever this year in Washington. Representatives from state associations have met with their senators and congressmen regarding foodservice issues, such as the proposed business meal deduction cap, the sulfite ban and extension of the Targeted Jobs Tax Credit (TJTC). Shown, representatives from the Louisiana Restaurant Association and NRA Executive Vice President William P. Fisher conferring with Senator Russell Long (D-LA), third from left, during a recent Washington visit.

NRA member stages cooking demonstration on nutritious food

Attendees at the American Dietetic Association's annual meeting in New Orleans, LA, in October were given a special treat: a cooking demonstration of healthy Creole/Cajun recipes taken from the "lite menu" at Commander's Palace.

The demonstration was conducted by Emeril Lagasse, executive chef at the world-renowned restaurant. The demonstration was the first of a series of regional cooking demonstrations planned by the ADA to show that people can eat exciting foods without sacrificing health and nutrition.

WASHINGTON REPORT

Interview with Labor Secretary Brock

NRA NEWS *recently interviewed Labor Secretary William E. Brock. Brock was appointed by President Reagan to head the Department of Labor (DOL) earlier this year after serving as U.S. trade representative during Reagan's first term. Brock is a former U.S. senator and representative from Tennessee and previously served as chairman of the Republican National Committee.* ***NRA NEWS*** *spoke with Brock about issues of concern to the foodservice industry.*

NRA NEWS: **It has been five years since the minimum wage was raised to $3.35 an hour. Do you anticipate another increase anytime soon?**

Brock: I don't see any movement to change it in the near-term. The only suggestion the administration has before Congress at this time is the enactment of a youth opportunity wage.

Q: Do you anticipate any action on the youth opportunity wage?

A: I hope so. The matter has hung around long enough. Everybody talks about helping young people, but nobody wants to do anything about it. The fact is, hundreds of thousands of teenagers in this country don't have jobs and can't get one. They are caught in a Catch 22 situation: They don't have a job, so they can't get any experience; they don't have any experience, so they can't get a job.

We believe the youth opportunity wage, which would let employers pay teens 75 percent of the minimum wage during the summer months, is one way to deal with the problem. We think it would create 400,000 new jobs. If we are right, we have done a great thing for this country; if we are wrong, we can try something else.

Q: An effort is being made to pass a youth wage bill in the Senate. What are the prospects for passage in the House?

A: We had a vote on this issue in the late 1970s and lost by only one vote in the House. It has been six or seven years since then, and youth unemployment is substantially worse than it was then. That indicates to me that we have a reasonable chance of passage.

Q: Opponents of a youth wage in the House have been able to keep it bottled up in committee. What are the chances of getting it out?

A: It is very difficult to see it coming out of committee. So far it has not even been considered at that level. If that remains the case, our only hope is to get it on the floor. I hope we can find some bill in the Senate to attach it to so that we can send it over to the House.

Q: Another piece of legislation that will receive congressional attention soon is U.S. Rep. William Ford's (D-MI) plant closings bill, H.R. 1616, which would require businesses with 50 or more employees to give 90 days notice before closing. What is the administration's position on this?

A: Bills like this, while well intended, are at this point unwise, unnecessary and potentially dangerous. I am afraid it would create a situation where plants might close that would not close otherwise. If you have some federal penalty for not meeting certain notification criteria, you could put a manager in a position of having to notify the banks and workers before the final decision to close is made and that could result in bank money drying up. The plant might lose its credit standing and be forced to close when, in fact, it may have had a chance of staying open.

That is what I am worried about, and that is why I have created a committee composed of labor, management and academic representatives to see what we can do to ease the burden of plant closings. Until we get a report from that committee, I am not going to support any bill of this sort.

Q: Many of our members use the Targeted Jobs Tax Credit (TJTC), which is administered by DOL. What do you think the chances are of Congress extending TJTC beyond its expiration date of Dec. 31, 1985?

A: I think the odds are less than even. Congress is caught up in the tax reform bill so no one really knows what will happen. The tax bill will have a tough time getting through both houses and into law this year.

Q: There are several DOL regulations—for example, the exempt manager and child labor rules—which NRA believes should be revised. What, if anything, will your department be doing to update these?

A: We obviously need to rethink the exempt manager rules..That is a fair request, and we are going to consider it. We plan to solicit public comment on these rules, and we would very, very much appreciate your association's and your members' comments. Your members can give us some good advice on what we can do to shape up the exempt manager rules. We will be asking other groups for their advice as well, and we will be engaged in the comment process for the next several months.

We did not put the child labor standards question on the regulatory agenda this year because we just ran out of time. However, I would be surprised if it were not under consideration in the next year.

Q: Comparable worth—the idea that people in different jobs should be paid the same if their work is of comparable value to society—has been getting a lot of attention. The House recently passed a bill that would require the government to study the feasibility of implementing comparable worth in the federal

work force. What is the administration's position on this kind of legislation?

A: It is a well established ethic in our society that we ought to pay people the same wages for doing the same job, regardless of any physical differences, such as race or sex. That came in the 1960s with the Civil Rights Act, and no one would want to go back to the old days.

What some are suggesting now is very different—that government should compare different jobs and say that one job has the same value as another. You would have to have a remarkably optimistic view of government to think that we would ever have the competence to make those determinations.

We don't have the capacity to tell a restaurant employee, for example, that he is worth more or less than someone in an entirely different occupation. You wouldn't want us to. If you think we have political tension and bitterness in this country today, think how much worse it would be if the federal government was setting different pay scales for different types of work, and people had no voice in that process.

Q: So your position, then, is let the marketplace work?

A: Sure. No one else in the history of the world has found a better system than what we have in the U.S. We have done more good things in the last 200-plus years than any other society in the history of man. We have done it because we have left the American people alone, by and large. We have made our greatest progress when the government stayed out of the way, when we let the competitive forces of supply and demand and discipline of the marketplace work.

Q: We hear so much today about the U.S. shifting to a service-based economy. What are some of the trends you are seeing in this area, and what will it mean for our future work force?

A: What is happening is a normal transition: As technology changes the world in which we live, it also changes the world in which we work. We are still producing a lot of goods, but we need fewer people on the assembly lines. So we are seeing a greater demand for people who know how to keep the assembly lines going—people who know technology, electronics and computers.

We in DOL have to be sure that our country's education and training system is designed to give people more flexibility so that they can upgrade their skills throughout their working lives. Young people today will hold an average of four to five jobs in their lives; some will hold five to 10. We have got to do a better job educating and training these people. We also have to convince business and labor that skill development is a lifetime process. Businesses have to improve their training programs so that there is a constant upgrading of skills.

Q: Aside from improving education and training programs, what other advice would you have for business people in the '80s?

A: I would love to see more business people seeking public office, especially at the state, county and city level. That is where we desperately need people who have the wonderful knowledge that comes from having successfully run a business. Those talents can be supportive of stronger local and state government.

IRS issues new auto log rules

Taxpayers will not be required to keep daily, detailed logs documenting the business use of a vehicle, according to new regulations issued by IRS.

Under the new regulations, businesses will be required only to provide evidence to support their tax deductions for auto use in the same way they would any other business-related deduction. While IRS will no longer require contemporaneous written evidence, IRS suggested that "written evidence has more probative value than oral evidence alone." IRS also noted that records documenting business use should be prepared as close to the date of use as possible.

IRS enumerated several special rules to minimize the burden of recordkeeping. Certain qualified nonpersonal use vehicles, such as refrigerated trucks, will be exempt from recordkeeping. Also allowed is an IRS sampling technique for taxpayers whose business use follows a regular pattern. Regular-pattern users, who are not control employees, need only prove the amount of business and personal use of a car for one week out of each month.

The new regulations apply not only to automobile use but also to other business property, including computers and property used for entertainment, recreation or amusement.

The new rules will apply to any taxable year beginning after Dec. 31, 1985.

Comment period closes on central kitchen rules

NRA met with Department of Agriculture (USDA) officials concerning proposed restaurant central kitchen regulations last month. The association also prepared written comments to USDA on the issue.

The proposed rules were published this summer and implement an NRA-supported bill passed by Congress at the end of 1984.

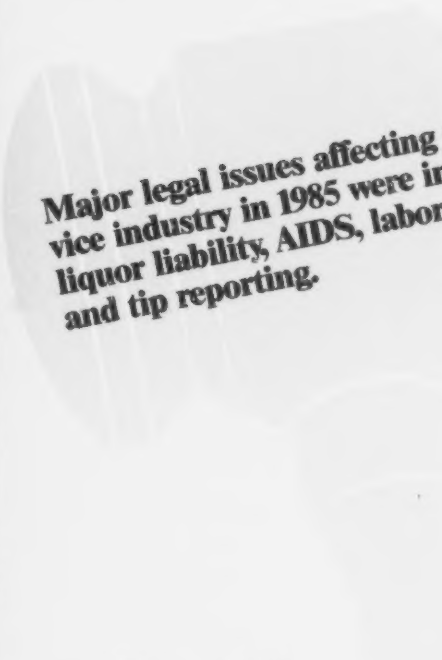
The rules would exempt from USDA meat and poultry inspection central kitchens that ship ready-to-eat food to local establishments owned by the same firm. The rules are designed to encourage use of central facilities. Under current law these facilities must meet stringent requirements, including prior approval of recipes, labeling of products and strict building specifications.

Although NRA generally supports the USDA's proposed regulations, it has some difficulty with the department's definition of "ready-to-eat." The regulations would require that all foods being transported from a restaurant central kitchen be the proper temperature for serving. This means that hot foods could not be chilled for transportation and then reheated prior to serving.

In its recent meeting with USDA, NRA suggested that operators be permitted to chill foods during transportation and then bring them to serving temperature after they are received.

—Jay Morris
—Michelle Rabayda

1985 foodservice legal issues



Major legal issues affecting the foodservice industry in 1985 were in the areas of liquor liability, AIDS, labor regulations and tip reporting.

Liquor liability

Alcohol-server liability and its effect on insurance rates was the major legal issue for many operators this year. Contrary to the usually slow pace of legal change, server liability has expanded dramatically in the past few decades.

Today, more than 40 states have some way, either through statutory law or court decisions, of holding commercial servers liable for injuries to third parties caused by their intoxicated patrons. As the number of liquor suits and settlements has increased, insurers have been forced to pay out larger sums, and liquor liability is now a losing proposition for most insurance companies.

This fact, coupled with negative claims experience in nearly all types of property and casualty insurance, has resulted in huge premium increases: This year the average operator is paying premiums that are 300 to 400 percent higher than last year's charges for the same or less coverage. In many states, such policies are no longer affordable or even available at any price.

Operators seek relief . . .

The natural response of operators and their representatives in state capitals has been to seek modifications of liability laws, and surprising progress has been made. In 1985, several state legislatures overruled courts that had expanded liability. Instead, they restricted or eliminated server liability. The Missouri legislature, for example, made it the law of the state that "consumption of alcoholic beverages, rather than the furnishing of alcoholic beverages, (is) the proximate cause of injuries inflicted upon another by an intoxicated person." Injured third parties may still sue in Missouri but, under the terms of this law, only after the state has found the defendant licensee guilty of serving the minor or obviously intoxicated person who caused the injury.

Similar laws were passed in South Dakota and Wisconsin.

Moves to limit liability . . .

Some states, while upholding licensees' liability, moved this year to limit that liability under some circumstances. Maine's amendments established a two-year notice requirement and for the first time provided that a defendant's liability will be limited to that proportion of the plaintiff's judgment that corresponds to the defendant's actual fault, a concept known as comparative negligence. Wyoming now limits liability to those situations where a patron's intoxication was apparent to the licensee. Rhode Island capped liability at $200,000 per injury but only in instances where the patron was not visibly intoxicated.

Minnesota also adopted comparative negligence in liquor suits this year, prohibited auto insurers from going after licensees to recover damages charged against intoxicated drivers, restricted damage awards to financially measurable factors, such as injuries to persons, property or means of support, and established penalties for those who file bad-faith claims against licensees.

The practical effect of these new laws must still be determined, and pressures within the insurance industry will work to keep premiums high and availability low for the near future.

Relief tied to further regulation . . .

In some states, too, relief for liquor licensees will come tied to further regulation. This year, Oregon became the first state to require server training programs as a condition for liquor licensing, beginning in 1987. With the increased sophistication and importance of server training programs, it is logical to assume that other states, as well as insurance companies, will consider establishing server training and certification requirements.

Bans or restrictions on discount pricing, two-for-one and other special drink promotions are spreading rapidly. NRA anticipated this last year when it recommended that operators rethink their use of these promotions before regulation became necessary. While many establishments revised their policies voluntarily, the state alcohol agencies rushed to adopt these so-called "happy hour bans" as a quick, easy-to-administer answer to the drunk driving problem. Although the effectiveness of these restrictions is open to question, they may have the important side-effect of reducing operators' liability exposure.

AIDS

A new issue, and one that will become more important, is the employment implications of Acquired Immune Deficiency Syndrome (AIDS). Law and emotion are closely tied here, with responses ranging from compassion to bigotry. Foodservice employers may feel caught in the middle between defensive employees and an agitated public and uncertain about their legal options.

For starters, the federal Center for Disease Control (CDC), in response to NRA inquiries, has stated consistently that AIDS is not spread by food handling or other forms of casual contact. There is no recorded instance of AIDS transmission under such circumstances. Many states and localities have laws barring foodservice employees with "contagious" or "communicable" diseases, yet it is arguable, given the very limited means by which AIDS is transmitted, whether these prohibitions cover the disease.

Employees with AIDS in other industries have generally tried to reclaim lost jobs by relying on state laws prohibiting employment discrimination against persons with medical or perceived handicaps; most of these plaintiffs have failed to outlast the legal process. Yet nearly every state has such a law, and officials in New York and Texas have already ruled that AIDS patients are covered by those states' handicap discrimination protections.

The most important application of the handicap laws, however, will be against employers who require so-called "AIDS testing." This blood test is highly unreliable, yielding many false positive results, and was intended only to screen donated blood, not to diagnose AIDS. It can only pick out those who have been exposed to the AIDS virus.

Only 10 to 20 percent of those individuals, says CDC, will ever contract AIDS. Employers who make decisions based on the results of these tests, therefore, will be subject to suits by employees. Employers will have difficulty arguing public health considerations, given the limited transmissibility of the AIDS virus, or arguing that employees are physically incapable of performing their jobs.

Three states, California, Wisconsin and Florida, have already banned employment-related AIDS testing. The city of Los Angeles now prohibits discrimination on the basis of AIDS, and other jurisdictions may soon legislate in this area. Especially in light of CDC's recent recommendation against employment-related AIDS testing, there is no reason for employers to over-react.

Labor issues

Key labor issues in foodservice concern salaried employees and meal credits. Department of Labor (DOL) officials plan to issue a call for public comment on who should be classed an "executive" employee, and regulations are expected next year to clarify DOL's new position on meal credits.

Tip reporting

The Internal Revenue Service (IRS) made minor changes in tip reporting requirements this year. Some employees will no longer be expected to report tips equal to eight percent of sales; they can report as little as two percent if they or their employer can prove that the establishment's average tip is below eight percent. IRS also repeated its long-standing advice to employees that a daily contemporaneous record of their individual tips will be the best evidence to present to the IRS if the employee is audited.

Although these daily records are for employee use only, IRS' unspoken assumption is that they will encourage employees to file more accurate tip reports with their employer. This increases tax collections, of course, but also benefits employers who might otherwise have to allocate tip income when employees fail to reach the eight percent level.

—Robert Palmer

Announcing a new NRA Education Program

Foodservice Operators' Legal Workshop

A one-day foodservice management program

One of the most threatening situations for a foodservice operator is to be caught off base on legal issues. It can damage your reputation, demand a considerable investment of your time and deplete your financial resources.

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- Can you be held liable for sexual harassment committed by customers?
- How will AIDS affect your hiring practices?
- What can be done to lower liquor liability insurance rates?
- Can illegal aliens land you in jail?
- Are you responsible for your customers' property or perhaps their lives?

Attend NRA's **Legal Workshop** and get the answers to legal questions before they become legal problems. The **Legal Workshop,** presented by NRA's Legal Counsel Robert Alan Palmer, is designed for the hands on independent owner, manager or decision-maker, not the corporate lawyer. His lively approach makes complicated and sometimes intimidating legal issues easier to grasp.

For less than the price of hiring a lawyer or paying fines, you will learn defensive tactics that keep a well-informed operator out of costly legal disputes. Palmer will focus on wage and hour practices, basic employment laws as well as your legal rights and those of your customers.

Dates and Locations

February 4 Tuesday	**Boston, MA** Charles Hotel at Harvard Square	**May 18** Sunday	**Chicago, IL** NRA Show
March 2 Sunday	**Washington, DC** Sheraton Washington Hotel	**June 10** Tuesday	**Philadelphia, PA** Philadelphia Airport Marriott
March 5 Wednesday	**San Francisco, CA** Amfac Hotel	**June 16** Monday	**Miami, FL** Omni International Hotel
March 21 Friday	**Denver, CO** Radisson Hotel Denver		

To register for this workshop or for more information, contact NRA Education Programs Department, 311 First St., N.W., Washington, DC 20001; 800-424-5156 (toll free), 202-638-6100.

1986
NATIONAL RESTAURANT ASSOCIATION FOODSERVICE INDUSTRY FORECAST

NATIONAL
RESTAURANT
ASSOCIATION

1986 FORECAST HIGHLIGHTS

The industry is headed for its sixth consecutive year of real growth.

- **Foodservice industry sales** are projected to reach $185.8 billion in 1986—up 6.6 percent over 1985.
- **Real sales,** adjusted for inflation, should rise 2.8 percent—a slight improvement over 1985's 2.1 percent real increase.
- The **Commercial Feeding Group** should record sales of $162.9 billion in 1986—up 7.1 percent. In inflation-adjusted dollars this represents a 3.2 percent increase.
- Real sales for the **Institutional Feeding Group** are expected to edge down a slight 0.1 percent next year.
- **Retail host restaurants,** fueled by significant gains in foodservice sales at grocery stores and convenience stores, are predicted to post the largest real sales increase in the industry—7.1 percent.
- For the second year, **airline contract feeders** and **airlines, passenger/cargo liners and railroads** providing their own foodservice are forecast to record impressive real growth—advancing 6.6 percent and 6.4 percent, respectively.
- Fast food restaurants should continue to register healthy sales gains. After adjusting for inflation, **limited menu restaurants** will post a 4.8 percent gain in sales, outpacing the industry average.
- **Eating place sales,** which account for nearly 65 percent of total industry sales, should total $120.0 billion. This represents a strong 7.6 percent increase. In real dollars, **eating place sales** should advance 3.7 percent, up from 2.8 percent in 1985.
- **Menu prices** are projected to climb 3.9 percent in 1986, matching 1985's gain.

The foodservice industry is gearing up for its sixth consecutive year of growth. The National Restaurant Association's 1986 Forecast reports that industry sales should climb to $185.8 billion. After adjusting for inflation, real sales are expected to advance a moderate 2.8 percent next year, up slightly from 1985's 2.1 percent increase.

Because the foodservice industry is affected by many external factors and because it is made up of many vastly different segments, this year's outlook will single out only the most influential trends.

The Forecast begins with an analysis of external factors governing industry growth. These include:

- the consumer
- the economy
- the labor market and
- federal, state and local government.

Next, the Forecast examines how the foodservice industry is responding to these external influences. Some of the innovative steps operators are taking to meet the changing needs of their customers and to operate in an increasingly competitive environment include:

- repositioning
- take out/delivery
- nutritious menu offerings
- promotions
- management techniques
- recognizing new competition and
- expansion strategies.

Once the framework has been established, the 1986 Forecast looks at specific projections for eating places and menu prices as well as for specific industry segments. Also included is NRA's detailed regional forecast for restaurant sales in the 50 states and the District of Columbia and a quick look at industry food purchases.

The 1986 Forecast also includes results of an exclusive NRA/Gallup survey that studied consumers' satisfaction with their frequency of eating away from home. It highlights who would like to eat out more frequently in 1986 and at what types of establishments.

To complete the picture, the Forecast looks at industry performance in 1985 and concludes with some insights beyond 1986, based on a recently completed NRA research project.

The information contained in this report was prepared in consultation with the research firm Malcolm M. Knapp, Inc.

THE FOODSERVICE INDUSTRY IN 1986

What's in store for the foodservice industry in 1986? As the new year approaches the outlook seems bright. According to the National Restaurant Association, the industry is gearing up for its sixth straight year of real sales growth.

Total industry sales are projected to total $185.8 billion in 1986, well above the $174.3 billion recorded in 1985. This marks an increase of $11.5 billion or 6.6 percent in nominal terms. Real sales, after adjusting for inflation, should advance 2.8 percent, slightly below the expected 3.1 percent increase in the Gross National Product (GNP).

Food and drink sales in the Commercial Feeding Group are projected to make the most substantial gains in the foodservice industry in 1986, advancing a hefty 7.1 percent to $162.9 billion. These sales will account for a whopping 87.6 percent of total foodservice sales. In comparison, sales in this sector climbed a slower 6.4 percent in 1985. In inflation-adjusted dollars, sales in the Commercial Feeding Group should rise 3.2 percent next year.

The Institutional Feeding Group is expected to post sales of $22.0 billion in 1986. This represents a very modest 3.4 percent increase from sales of $21.3 billion in 1985. In real terms this translates into a disappointing 0.1 percent decline in sales, compared with a slightly larger drop of 0.7 percent recorded in 1985. The decline reflects increased pressure on the government to reduce funding for many social programs, a decline in the populations served by institutional foodservice and the growing success of contractors who have moved into this segment.

Sales in the Military Feeding Group should also climb, advancing 6.5 percent to $932 million. However, this increase is somewhat smaller than the 6.8 percent advance recorded in the prior year. Real sales, after adjusting for inflation, should rise 2.6 percent in 1986.

Menu prices will influence industry growth. . .

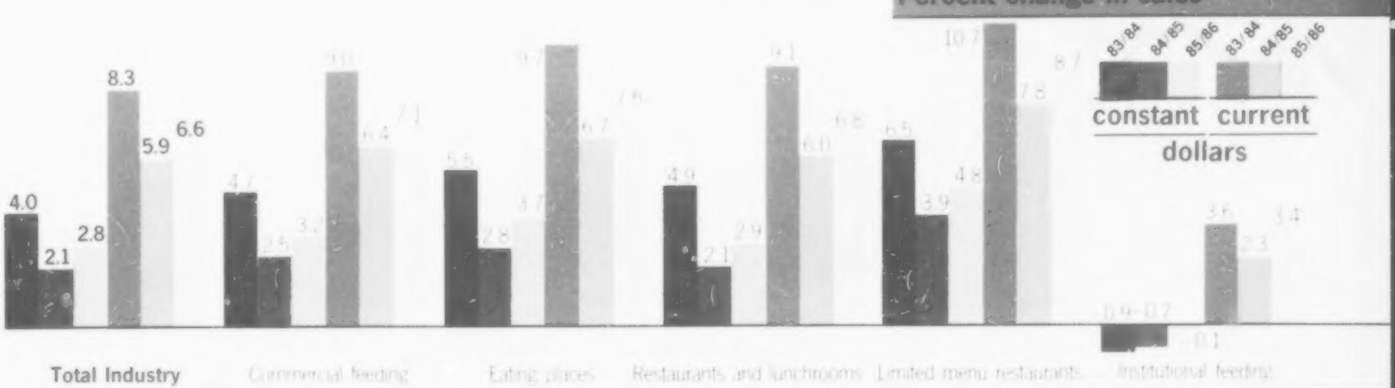
Menu prices will have a role in influencing industry growth in 1986. Menu prices are expected to climb 3.9 percent, matching 1985's gain. Modest advances in wholesale food costs, inflation and overhead costs as well as more intense competition should help keep down the overall increase in menu prices.

Wholesale food costs are projected to rise 2.5 percent during 1986, well above the 1.8 percent decline registered in 1985. A weaker U.S. dollar, which may help boost demand for U.S. agricultural exports, and a slightly higher inflation rate should put some upward pressure on food prices next year. Additionally, production of beef, pork and eggs is expected to decline throughout the year, resulting in higher prices for these commodities. On the other hand, poultry output, fueled by greater consumer demand, is projected to grow in 1986, causing prices to fall.

Labor costs are also expected to rise at a moderate 3.0 percent pace in 1986, approximating 1985's level. Modest growth in the inflation rate and an adequate labor supply because of high unemployment should continue to hold payroll costs down. In addition, overhead costs should keep pace with the inflation rate in 1986, rising at a 4.0 percent pace. In particular, low energy prices should help to keep the advance at a moderate level.

These basic cost increases, along with operators' concern for improving profit margins, should contribute to increased menu prices. If less effort is made to boost margins and if competition becomes more intense, menu price increases may be even more moderate in 1986.

Percent change in sales



Note: 1985 and 1986 figures are projected

THE CONSUMER

The foodservice industry is in the midst of a major shift in direction brought about by changing consumer tastes and lifestyles as well as long-term demographic trends.

Key consumer needs and demands include:

Convenience. Although many eating out occasions revolve around a leisurely meal with a spouse or friends, on a large number of occasions consumers of the 80s are seeking quick, convenient meals that fit into their busy lifestyles. Many do not have the time to shop for food or prepare meals at home. This is particularly true for working women, who often have to juggle family, work and social activities into their daily schedule.

Convenience is also a major concern of singles, a group that is expanding rapidly and will continue to grow throughout the decade. These consumers want meals they can pick up in a hurry, whether between work and home or on the way to or from the gym for a workout.

Consumers are opting for take out meals as a way to get a quick meal or snack. NRA research reveals that more than one out of three consumers purchase a take out meal at least once a week, and an additional one-third do so one to three times a month. Only 14.4 percent report they never purchase take out meals or snacks. Demographic groups most likely to seek the convenience of take out include singles, families with children, households with a working wife or mother and 18 to 34-year-olds.

Quality. Today's consumers are better educated, and they have more experienced palates. They expect their dining out experiences to be of high quality. They know what they are looking for from their many different eating out occasions, in terms of food, service and atmosphere. Restaurant patrons say good food and good service are far more important than price, according to consumer research conducted by the National Restaurant Association. Consumers look for quality and value and seem to be generally satisfied with their restaurant meals. A survey conducted by the Gallup Organization for NRA in September 1983 revealed that the vast majority of patrons believe the following about the service they received:

- Items were served as ordered.
- Wait staff was hospitable and friendly.
- Food was served in a timely manner.
- They were greeted with a smile.
- Wait staff was knowledgeable about the menu.

When NRA brought the topic before focus groups in 1985, however, some participants felt that the quality of service was not what it used to be. Part of this reaction is undoubtedly due to the greater experience and knowledge of today's restaurant patron and to labor shortages experienced in many parts of the country. Comments about quality of service made by focus group participants include:

- Service is slow.
- Orders are not filled properly.
- There is a lack of consistency.
- Wait staff are more interested in turning tables than in serving.
- There is poor service on weekends.

Since service is a prime component of the eating out occasion, patrons place considerable importance on it. If they do not receive the quality of service they expect, it is unlikely that they will ever return to the establishment, and they also will tell their friends and associates about their bad experience.

Diversity. Consumer taste buds, conditioned by their Mexican, Italian and Asian favorites, are fired up for hot, spicy foods and high intensity flavors. This trend is reflected in an abundance of Mexican foods, Cajun foods and other spicy dishes. For example, nachos, virtually unknown just a few years ago, are now served at all types of restaurants. Spicy, fried or grilled chicken is becoming more commonplace. And Thai food, known for its fiery taste, is winning a loyal following.

In fact, the growing popularity of hot, spicy and high intensity foods comes on the heels of the increased popularity of ethnic restaurant concepts within the industry. According to a recent NRA survey, the top three ethnic foods in the U.S. are Italian, Asian and Mexican cuisines. Approximately nine out of 10 consumers have eaten each of these foods at least once in a restaurant. Now, many are looking for new taste experiences, from the intense flavors of herbs and spices to items cooked in flavored vinegars or even more exotic ethnic dishes.

Other new concepts which operators are using to respond to this burgeoning desire for diversity include American regional cuisine, mesquite grilling and sushi bars. All this points to the diversity of consumer preferences and the willingness of the consumer to try new things.

Grazing. No longer a novelty, grazing seems to be a new dining pattern among consumers of the 80s. In this new approach to dining, consumers satisfy their de-

Consumer expectations when eating out

Expectation	Percent saying
Cleanliness	81.5%
Tasty food	70.4
Food cooked as requested	65.5
Friendly service	53.0
Quick service	41.4
Employees who ask if patron wants anything else	44.1
Menu variety	34.3
Attractive room decorations	31.6

Source: *Consumer Expectations with Regard to Dining at Restaurants,* NRA, September 1983.

Consumers' comments on quality and service

"I like to be greeted when I walk in."

"Price is important, but quality is more important."

"If I'm paying for food, I expect the service to be top-notch."

"The waiter/waitress can make a big difference."

"If serving people are phony, you can tell it right away."

"I want to be recognized right away."

"I don't mind paying if the food is good and the service is good."

"Nothing that's frozen is as good as fresh."

"I waited 45 minutes once, and we finally walked out."

"Inconsistent."

". . . they're turning the tables to get good tips."

"Sometimes they seat you right away but then ignore you."

Source: *Qualitative Study of Eating Out Behavior and Attitudes,* NRA, September 1985.

sires for a varied, yet light repast by opting against a full course meal. Instead, they choose a lighter, more casual meal, often consisting of several appetizers and possibly one or more desserts.

As an adjunct to the grazing phenomena is the popularity of single-serving portions of food. Mini pizzas; sushi; skewered grilled chicken; gourmet cookies; brownies; salad bars and premium wine or champagne by the glass are a few examples of foods and beverages that appeal to grazers. Since the food is ordered and paid for piecemeal, the consumer has ultimate control over portion size—whether it is one or two cookies or one-quarter pound of salad.

The grazing consumer is most likely to be a member of the baby boom generation. These individuals grew up on fast food, and they now graze at food courts as well as other locations. In addition to convenience, "grazers" also place top priority on variety.

Home activities. Consumers are rapidly acquiring an assortment of home entertainment options. It is estimated that nearly one-fourth of America's households own a videocassette recorder (VCR), and four out of 10 households have cable television. In addition, nearly half have microwave ovens in their home. All of these items make staying home more appealing.

As the number of families that own such appliances expands, these households will be looking for more services that are compatible with the convenience of home entertainment. As a result, take out and home delivery are becoming popular meal alternatives.

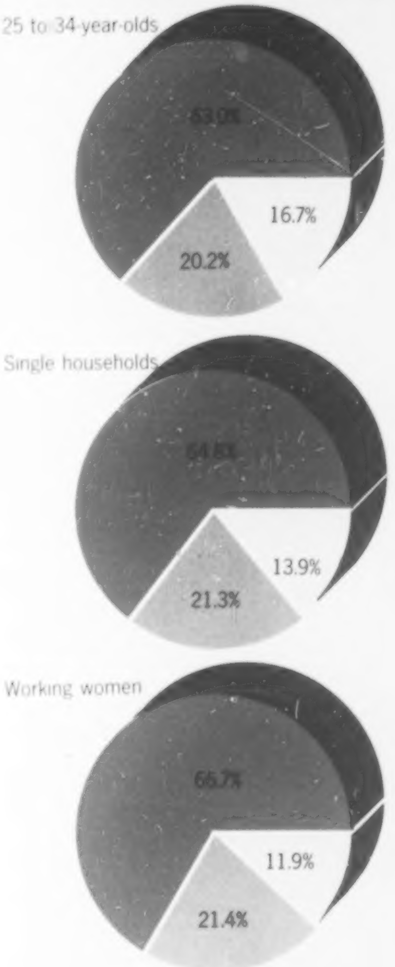
Percent of consumers who have patronized or are very likely to try specialty concepts

	Have tried recently*	Have not tried recently,* will likely purchase	Total potential market
Premium hand-dipped ice cream	32%	37%	69%
Oriental fast food	25	21	46
Diet/lite menu items	26	19	45
Gourmet take out	18	20	38
Mexican-style chicken	17	17	34
Spicy, Cajun-style cooking	14	16	30
Mesquite grilling	5	12	17
Sushi/sashimi	7	8	15

*In first three months of 1985

Source: NRA, *Consumer Preferences for New Restaurant Concepts*, National Restaurant Association, April 1985.

Percent of weekly meals eaten at home, in restaurants or skipped



At home ▨ **In restaurant** ▨ **Skipped**

Source: NRA, *Meal Consumption Behavior*, July 1985.

NUTRITION TREND CONTINUES

Low-fat milk consumption is on the rise; so is fruit and vegetable intake. As a nation we are eating fewer eggs and more fish and poultry. But, at the same time, candy and soft drink sales are skyrocketing, hot dogs are making a comeback, and patrons love dessert bars and tableside dessert carts.

It is safe to conclude that the public is conveying a mixed message about its nutritional concerns. Although there is a growing move toward improved nutrition and health, health-related habits are undeniably tough to change. In addition, taste and appearance seem to be much more influential than nutritional benefits when selecting food items. As a result, nutrition and health trends are evolving at a much slower pace than other lifestyle trends affecting the foodservice industry.

Increased public awareness . . .

The nutrition trend has been swelling; it is not a fad. In 1986 its effects on the foodservice industry should be felt more strongly than ever before. Federal regulatory agencies are promoting a greater degree of public awareness about the relationship between diet and disease.

- During the past year the National Institutes of Health (NIH) issued strong policy statements about the health hazards of obesity and high levels of cholesterol in the blood.
- The Department of Health and Human Services (HHS) in conjunction with the

Department of Agriculture (USDA) published the second edition of the *Dietary Guidelines for Americans*.

- The Food and Drug Administration (FDA) will soon propose new regulations for health claims on packaged foods. (Currently, this practice is prohibited.)
- Upcoming federally sponsored public education campaigns will focus on sodium and cholesterol. The goals of these programs are not only to identify the food sources of these nutrients for consumers but also to instill an understanding of the amount of sodium and cholesterol in foods. The concept of prudent recommended daily intakes of sodium and cholesterol will also be underscored. If successful, Americans' quantitative nutrient knowledge finally will expand beyond calories.

Prevention, not therapy . . .

The nutrition climate of the 1980s is different from that of the 60s and 70s. Rather than focusing on health foods for therapeutic benefits, consumers are demanding healthier foods (lower in fat, cholesterol and sodium and higher in fiber and complex carbohydrates) as preventive measures. The vegetarian craze of the 1960s has evolved into a semivegetarian trend, an eating style characterized by less meat (especially red meat) and more vegetables and starches. A recent series of focus groups conducted for NRA shows that the semivegetarian trend is most popular among the baby boom generation (25 to 39-year-olds). This group also expressed a sustained concern about food additives, preservatives, fried foods and red meat.

Men becoming more nutrition-minded . . .

Although women have traditionally been more interested in health and nutrition, men are becoming more aggressive nutrition-minded consumers. Men who dine out frequently are particularly conscious of restaurant nutrition.

When interest in nutrition is examined by age, NRA's focus groups indicate that young adults, between the ages of 18 and 24, are the least interested in restaurant nutrition. Older adults, 50 to 64-year-olds, seem concerned about nutrition due to caloric and other medically imposed dietary restrictions. The baby boomers seem the most interested in overall good nutrition.

Consumer demands in 1986 . . .

Unresolved issues, such as hypersensitivity to foods and additives in addition to labeling on fast food wrappers and containers, will continue to be debated through 1986. Consumer groups are expected to persist with the stance that patrons have the right to know the composition and preparation methods of restaurant foods.

These consumer attitudes may manifest themselves to foodservice operators in several ways:

- Patrons will be looking for healthier alternatives to menu items high in fat, calories, cholesterol and sodium.
- The demand for more vegetables and alternatives to fried foods should increase.
- Smaller portions or a choice of portion size should become more popular.
- The type of nutrition information patrons may look for on the menu will be for the most part non-quantitative. Reassurance that an item is a more nutritious alternative should satisfy most patrons better than actual numbers concerning sodium, cholesterol or fat.

Consumers' comments on nutrition

"I'm always on a diet."

"I try not to eat meat."

"I'm not really going to be watching things when I go to a restaurant."

"Cholesterol is the reason for not eating beef . . ."

". . . salt is completely out."

"People are getting away from red meat and buying more chicken and seafood."

"I don't like a lot of red meat, and I enjoy vegetarian dishes once in a while."

"I'll dodge everything fried."

"I only eat whole wheat bread."

"Salad bars are here to stay."

Source: *Qualitative Study of Eating Out Behavior and Attitudes*, NRA, September 1985.

THE ECONOMY

Economic factors play an important role in determining foodservice industry performance. In general, business conditions within the foodservice industry mirror economic conditions.

Both the economy and the foodservice industry started 1985 at a slow pace, but as the year wore on, conditions began to improve. Consumer spending was up in the latter months of 1985 and so was traffic at the nation's restaurants.

In 1985, the U.S. economy, while continuing to expand, did not maintain the impressive rate of growth recorded in 1984. The Gross National Product (GNP) adjusted for inflation expanded only 2.5 percent in 1985, compared with the much higher 6.8 percent real growth recorded in 1984.

1985 economic highlights . . .

- Consumers continued to feel relatively secure about their current situation. The Conference Board's Consumer Confidence Index, which measures consumer sentiments about the economy in the next six months, maintained levels similar to the high levels experienced in 1984.

- The inflation rate was lower than in 1984—3.5 percent versus 4.2 percent. However, the 1985 rate was still somewhat higher than the 3.2 percent inflation rate recorded in 1983.
- Real disposable income posted a moderate gain of 2.8 percent in 1985—down from the 6.7 percent gain recorded in 1984 and the 3.5 percent increase in 1983.
- The debt ratio in 1985 reached 18.4 percent of disposable income, up from 17.9 percent in 1984 and 16.9 percent in 1983. At the same time, the savings rate fell to a low of 4.7 percent, compared with 6.1 percent in 1984 and 5.0 percent in 1983.
- The nation's unemployment rate fell slightly to 7.2 percent in 1985. In comparison, the unemployment rate in 1984 was 7.5 percent, and in 1983, it was a much higher 9.5 percent. Increases in employment in the construction and manufacturing segments helped lower the number of unemployed persons.

Economic expansion to continue in 1986 . . .

The *Blue Chip Consensus Forecast*, published in October 1985, indicates that the economy should expand at a moderate pace in 1986. Real GNP gains will be higher in 1986 than in 1985—3.1 percent versus 2.5 percent. Increases in the construction and manufacturing sectors will be key ingredients to economic growth in 1986. An expanding economy often signals growth in the restaurant industry as well. The accompanying graph shows the high correlation between changes in real GNP and changes in inflation-adjusted industry sales.

The rate of increase in disposable income is another indicator of restaurant industry performance. As shown, changes in real disposable income are positively related to changes in restaurant sales. In general, as the rate of change in disposable income rises or falls, similar behavior is observed for restaurant sales.

Consumer incomes are predicted to record moderate gains in 1986. Real disposable personal income should advance 3.0 percent in 1986 after posting a 2.8 percent advance in 1985. Higher inflation may dampen the growth of disposable income; however, questions remain about the passage of new tax simplification legislation and its effect on disposable income.

Inflation is expected to be slightly higher in 1986, than in 1985. The Consumer Price Index (CPI) is forecast to advance 4.0 percent in 1986 compared with a lower 3.5 percent in 1985. Although there may be some upward pressure on labor costs and interest rates as well as higher prices for imports because of the lower dollar value, lower prices for gasoline, farm products and consumer durables should help keep inflation in check as should increased competition for the consumer dollar.

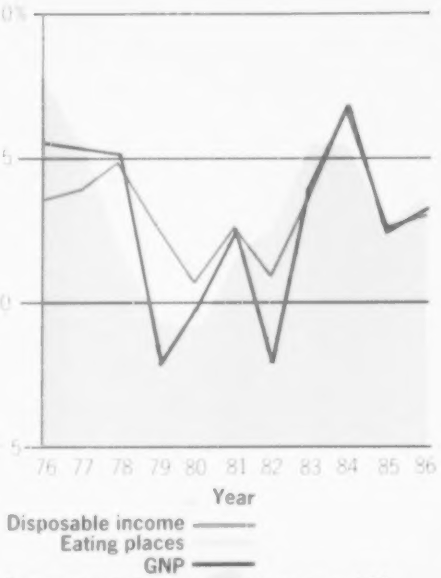
Other factors also have an effect on the economy and restaurant sales. Recently, cash available for purchasing non-durable goods and services, such as restaurant meals, has taken on new importance in spite of the fact that personal income has posted gains. The race to purchase cars and other durable goods on favorable terms has left consumers short of cash. Consumers have incurred a large amount of debt and depleted their savings. Installment debt in 1985 was an estimated 18.4 percent of disposable income, and the savings rate was a projected 4.7 percent. However, a recent analysis of the consumer debt load indicates that the situation may not be as bad as it appears. Monthly payments have been lowered because the maturity of consumer loans is longer. As a result, consumers are not as strapped for cash as many believe.

In 1986, consumers are expected to accumulate durables at a substantially slower pace. Expenditures for durables in current dollars are forecast to rise only 3.1 percent in 1986 versus a 6.6 percent gain in 1985 and a 13.9 percent advance in 1984. As a result, some improvement in spendable cash on hand should be seen in 1986 in spite of the fact that consumers are expected to be decreasing their debt load and increasing their savings.

The unemployment rate should drop to 7.1 percent in 1986, down slightly from the 7.2 percent rate predicted for 1985. This is the lowest unemployment rate recorded in five years. Increases in industrial production, forecast to expand 3.2 percent in 1986 versus a lower 2.5 percent in 1985, should help reduce the number of the nation's unemployed. Housing starts are expected to remain at 1.8 million units in 1986 and car sales (domestic and imports) should fall slightly from 10.9 million units in 1985 to 10.5 million units in 1986.

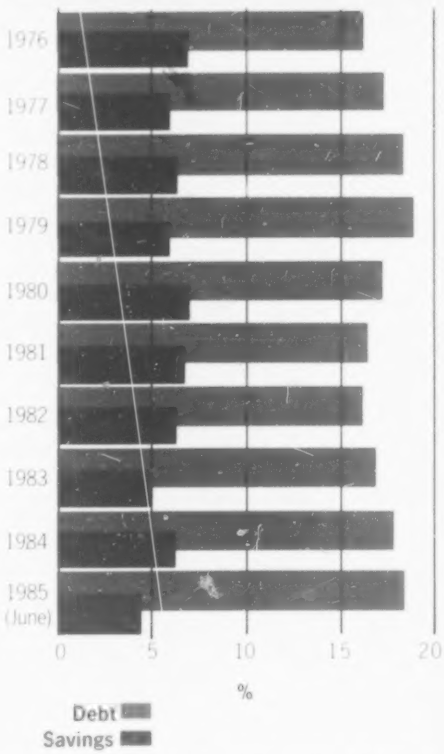
Several clouds on the economic horizon may dampen growth in 1986, namely the budget deficit and the trade imbalance. However, the economy is currently expected to weather these trials and continue to expand in 1986.

Percent change in real eating place sales, real GNP and real disposable income



Sources: U.S. Department of Commerce, NRA.

Percent of disposable income that goes to consumer debt and savings



Sources: U.S. Department of Commerce, Bureau of the Census, Bureau of Economic Analysis.

LABOR MARKET TIGHTENS

The labor market is tightening, and it is unlikely that this situation will improve during the next five years. A recent NRA research project reveals that the industry will be faced with labor shortages for the remainder of the decade.

Shrinking supply of teenagers . . .

The primary reason for this shortage is the declining number of teenagers, as shown in the accompanying chart. Because the industry relies on teenagers—more than a quarter of its workers are teenagers—it is not surprising that the shrinking number of teenagers is not good news for the foodservice industry.

In 1975, there were 17.1 million persons between the ages of 14 and 17; and by 1980, that number had dropped to 16.1 million. The decline between 1980 and 1985 was even more dramatic—down to 14.7 million. And by 1990, the number will be even smaller, 13.0 million. The proportion of the U.S. teenage population has dropped from 7.9 percent in 1975 to 6.2 percent in 1985 and should dip even further to 5.2 percent in 1990. However, the downturn will not be permanent. By the year 2000, the number of teenagers should rise to 15.4 million and remain in the 14 to 15 million range for the 30 years after that.

Shortages not felt equally . . .

The labor shortage has not been felt equally in all areas of the country or among all segments of the industry. Shortages are especially critical in affluent areas and where the unemployment rate is low. Shortages are less of a problem in areas where unemployment remains above the national rate. Fast food operators feel the labor pinch more than do operators in the mid and upper-price segments. Also insulated are foodservice contractors and institutional feeders that tend to employ an older labor force.

Many restaurateurs believe that the shortage is more a problem of quality than quantity. They maintain that it is more difficult to obtain workers who are qualified for the job or who can learn the job than it is to find applicants for the job. Other operators say that the turnover rate in the industry is rising because applicants hired for jobs are not qualified for the position or they find something else in a very short period of time.

Competition will intensify . . .

The competition for workers will intensify. As the number of new restaurants continues to rise throughout the decade and as other types of retail establishments expand, operators will find it more difficult to find the workers they need.

NRA's recent research study confirmed that although many young people will continue to find their first jobs in the foodservice industry, the total supply of workers from that population segment will diminish. Instead, the industry's labor force will be increasingly dominated by women, senior citizens, disabled people and aliens.

Because the makeup of the industry's labor force will be changing during the remainder of the decade, changes in how restaurant operators attract, hire, train and retain employees will be required. Higher pay, better benefit packages, more worker autonomy and improved working conditions are among the adjustments that will have to be made to attract and retain workers.

Population projections (in millions)

Year	All Ages	14–17	18–24	55–64	65+
1970	205,052	15,924	24,711	18,682	20,107
1975	215,973	17,128	28,005	20,045	22,696
1980	227,738	16,140	30,357	21,759	25,713
1985	238,631	14,731	28,739	22,188	28,609
1990	249,657	12,950	25,794	21,051	31,697
2000	267,955	15,382	24,601	23,767	34,921
2010	283,238	14,983	27,655	34,848	39,195
2020	296,597	14,409	25,481	40,298	51,422
2030	304,807	15,154	26,225	34,025	64,581

Source: U.S. Department of Commerce, Bureau of the Census

LEGISLATIVE AND REGULATORY ISSUES

In 1986, the foodservice industry will continue to face a number of complex legislative and regulatory issues. In addition to labor, tax and food issues faced in prior years, other issues are surfacing that will probably have an effect on the industry during the next few years. These include concerns about the number of dram shop, or third party liability, laws; public and health issues, such as AIDS and the use or non-use of sulfiting agents and other additives.

The accompanying list outlines the issues that are expected to be most important to the foodservice industry in 1986.

At the federal level:

- Labor issues, such as a youth minimum wage, elimination or reduction in the tip credit, changes in the Targeted Jobs Tax Credit (TJTC) and the redefinition of exempt managers.
- Overall tax reform, including limiting the deductibility of the business meal, taxing fringe benefits, collection of federal taxes on tip income, elimination of the investment tax credit and accelerated depreciation.
- Use of additives and preservatives, such as sulfiting agents, and ingredient labeling.

- Immigration reform, which can affect operators' hiring practices concerning aliens.
- Other issues, such as central kitchen regulations and restricted use of the polygraph.

At the state and local level:

- Labor issues, such as the minimum wage, the tip credit and child labor laws.
- Tax issues, such as the privilege tax (also known as a meals' tax), collection of state and local taxes on tip income and sales tax on food sold at restaurants.
- Liquor issues, such as dram shop liability insurance, minimum drinking age and hours of operation.
- Smoking/non-smoking regulations and laws.
- Truth-in-menu issues.
- Use of additives and preservatives, such as sulfiting agents.
- Sanitation and safety issues.
- Public health issues, such as AIDS.

THE INDUSTRY RESPONDS

The foodservice industry has been responsive to changing consumer tastes and lifestyles. Operators are repositioning their concepts in order to establish a market niche. They are upgrading menus and decor, instituting take out and delivery service, opting for more healthy menu items, putting more emphasis on training employees and revamping hiring practices and benefit packages.

Menu expansion. In order to appeal to a wide spectrum of consumers, restaurant operators are expanding and reformulating their menus. Recent product rollouts, which have become successful, include catfish, seafood pasta salads and frozen desserts, such as tofutti and gelato. In addition, operators are extending or improving existing product lines by changing portion sizes and by altering the types of seasonings used in preparing certain dishes.

Restaurateurs also are using new preparation techniques, such as mesquite grilling, and adding ethnic, spicy and high intensity dishes to their menus in order to maintain a competitive edge. Breakfast has become another popular way to expand restaurant offerings to consumers.

Unit upscaling. Many foodservice operators are redecorating their units, opting for high tech or art deco designs that appeal to the maturing population. Other companies are installing skylights and atriums in their restaurants and using muted colors to give the units a lighter, brighter look.

Take out. Once traditionally the domain of fast food outlets, take out food is now offered at an increasing number of midscale and upscale establishments. Although hamburgers and pizza continue to be high on the list of take out food choices—four out of 10 individuals ordered hamburgers or cheeseburgers the last time they purchased food to go and two out of 10 purchased pizza—recent NRA research indicates that gourmet take out is becoming a favorite consumer option.

Approximately two out of 10 individuals patronized a restaurant specializing in gourmet take out in the first three months of 1985, according to NRA's *Consumer Preferences for New Restaurant Concepts*. Another 20 percent who had not purchased specialty take out during this time said they were very likely to buy it in the future.

Research also indicates that operators who offer take out service should not suffer any substantial declines in their eat-in business. NRA's recent take out survey asked consumers where they would eat if no take out service had been available on their last take out occasion. The majority responded they would not have eaten out if this service were not offered. Forty-two percent said they would have eaten at home, and 14 percent would have skipped the meal. Thirty-eight percent reported they would opt for an eat-in occasion.

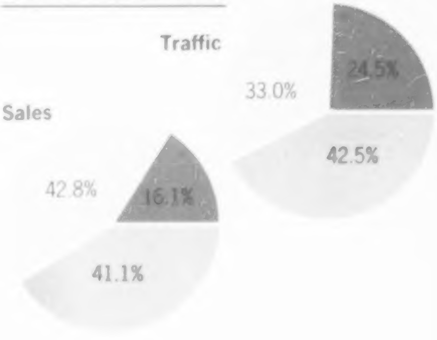
Home-delivery. Home delivery is also becoming a desirable means for restaurants to expand the scope of their operations. By offering delivery service, restaurateurs are catering to the large number of consumers who would rather stay at home to eat but who also do not wish to prepare a meal themselves.

While pizza is the number one home delivery food, some fast food chains are experimenting with home-delivered hamburgers and other items. A few companies are also taking their stores on the road, outfitting mobile units with a scaled down version of a full service operation in order to insure a hot, high quality delivered product.

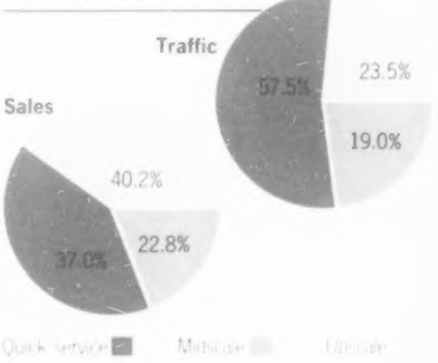
Nutrition. In response to consumer nutrition awareness, restaurants are expanding their nutritious offerings. Operators are discovering that it is the regular

Percent of sales and traffic

Asian restaurants



Mexican restaurants



Source: CREST *Household Report*, December 1983–November 1984.

patron who is most consistently concerned about nutrition in restaurants and that light and healthy fare seems to sell better at lunch than dinner. Moreover, restaurants that add nutritious items to their menus often appeal to more consumers than do operations built solely around the nutrition concept.

What are restaurants doing? Chefs are attempting to reduce cholesterol, fat, sodium and calories without sacrificing taste and appearance. Fast food and quick service establishments are responding to the demand for healthier choices by offering light menu items, such as leaner meats, whole wheat buns and grilled rather than fried dishes. In addition, they also offer reduced calorie salad dressings and low fat, low calorie cheeses.

Restaurateurs continue to expand their salad bar offerings to include more fruit and more unusual vegetables. Participants in NRA's focus group study often expressed their liking for salad bars in restaurants and were enthusiastic about the new items that have recently been added.

Promotions. Because of heightened competition within the foodservice industry, promotional strategies are key factors in encouraging consumer usage of new menu items and new restaurant concepts. They also help build customer traffic.

In addition to the traditional cents-off promotional coupon, many restaurants are using "meal deals" that offer a full meal priced less than it would if bought a la carte. Early bird dinners, usually discounted, continue to be a good way to encourage business during the early dinner hour. These discounts are especially appealing to senior citizens and working wives.

Overall, restaurateurs appear to be leaning less toward coupons and more towards other types of promotions. According to CREST, 42 percent of all restaurant promotions in the summer of 1985 involved coupons, down from 52 percent of all restaurant promotions in the winter of 1982. On the other hand, the percent of special event promotions, including grand openings and holiday celebrations with temporary price reductions and other types of promotions, has increased. Special event promotions accounted for 24 percent of deal usage this past summer, compared with a lower 18 percent in the winter of 1982. Price reductions increased slightly—from 10 percent of the occasions in 1982 to 11 percent in 1985, and other types of promotions, including meal deals, represented 23 percent of the deal mix this past summer versus a lower 20 percent in the winter of 1982.

Foodservice operators are also promoting their business through community involvement. Ways in which restaurants promote their community ties include sponsorship of local athletic teams, artists and musicians. In addition, some foodservice operations are using celebrity endorsements of their products to promote a certain image and to heighten identification of their restaurant.

Management. Good management is a prime ingredient in the successful foodservice operation recipe. Managers today are adopting more sophisticated techniques in order to keep their operations in pace with the dynamic changes the industry is facing.

Computers. Computers have revolutionized foodservice operations. Managers are using computers for a wider variety of tasks, including ordering inventory, keeping track of overhead and developing employee work schedules. In addition, managers may employ computer technology to increase efficiency by developing the most productive combination of labor and materials for their operation.

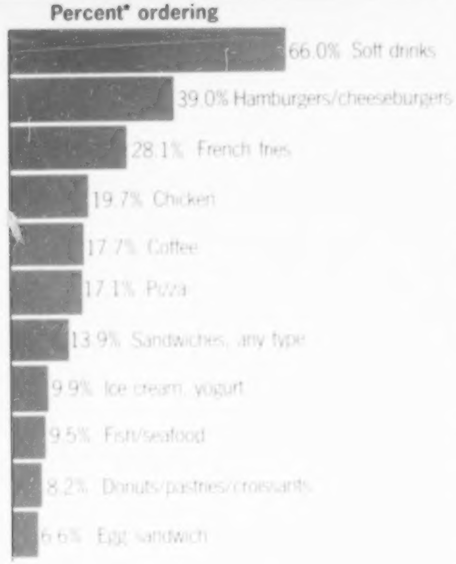
Employees. Labor shortages due to demographic shifts and the shrinking teenage population have prompted changes in the hiring and recruitment process for many foodservice operations. Others offer hiring incentives that reward employees for recommending another qualified candidate. Operators are also employing more older and handicapped individuals and are revamping their benefit packages to attract and retain workers. Examples include educational benefits that subsidize college education costs and free transportation to and from work.

Training. In order to insure high service standards, operations have set up special employee training camps. Other operations are using video aids and computers to train their employees to become more skilled, more knowledgeable and more effective managers, servers and chefs.

Increased competition. There is increased competition from both within and outside the industry. Aggressive unit expansion has increased the number of outlets competing for the consumer dollar. According to information in *Franchising in the Economy*, the number of pizza franchise restaurants increased from 8,914 in 1980 to an estimated 14,898 in 1985. Hamburger franchise restaurants increased from 27,027 in 1980 to 31,641 in 1985, and franchise Mexican outlets have almost doubled over the past six years from 2,774 in 1980 to 4,228 in 1985.

New entrants into the foodservice arena include convenience stores, super-

Top 10 take out foods and beverages



*Represents percent of consumers ordering item on last take out occasion.

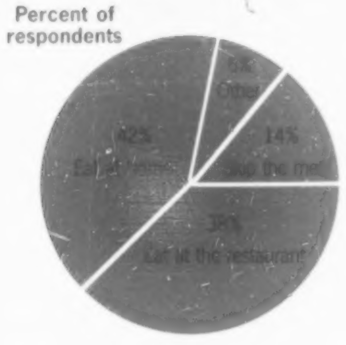
Source: *The Take Out Market*, National Restaurant Association, December 1985.

How often consumers purchase take out meals and snacks

	Percent of respondents
4 or more times a month	35.8%
2 or 3 times a month	19.4
Once a month	13.4
Once every other month	6.7
Once every six months	5.2
Once a year	3.6
Never	14.4

Source: *The Take Out Market*, NRA, December 1985

What consumers would do if no take out service were available



Source: *The Take Out Market*, NRA, December 1985 markets, delis and gourmet shops. Convenience stores, while continuing to derive most of their revenues from gasoline, now offer fast foods; and supermarkets are beefing up their revenues with salad bars and full service delis. (See the supermarket competition update on page 35).

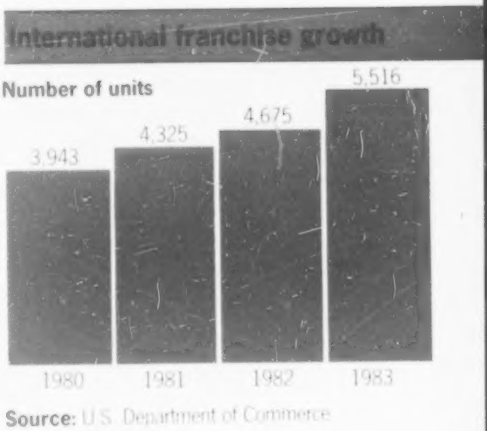
Expansion. Expansion strategies are becoming more creative as competition increases. In addition to traditional site developments, operators are now looking to more non-traditional methods of expanding their concepts in a tight market.

Many foodservice companies are diversifying and expanding their concepts through acquisition of other companies within the industry. This strategy allows the acquiring company to purchase not only a concept but also the sites, management practices and technology associated with that concept.

The ministore concept is a popular alternative used by operators who wish to expand into a market at the least possible cost. Typically used by fast food operations, the ministore offers limited service and limited menu items and therefore has lower overhead costs than a full service unit. Ministores are frequently found in shopping mall food courts, but some companies are building miniunits in rural areas or small towns in order to establish a foothold in a potential market.

Non-traditional site selection. While traditional unit expansion continues to be strong, operators are also developing non-traditional sites in order to expand their concepts. Some sites that are now considered prime for expansion include office buildings, department stores, hospitals, military bases and schools.

Foreign expansion. As a result of increased domestic competition, foodservice companies are expanding into the overseas market at a fast pace. Foreign demand for U.S. foodservice remains higher than the supply, and thus overseas expansion continues to represent a profitable strategy for growing firms.



International franchise growth

Source: U.S. Department of Commerce

STRONG EATING PLACE GROWTH

In 1986, eating places, which account for nearly two-thirds of total industry sales, are expected to boast above-average growth. This significant industry segment should reap the benefits of an expanding economy as well as strong consumer demand and rising consumer incomes. Total eating place sales are projected to reach $120.0 billion in 1986, an increase of 7.6 percent over 1985. This gain is well above the 6.7 percent advance posted in the prior year.

Real sales, after adjusting for menu price inflation, are expected to climb 3.7 percent versus a lower 2.8 percent advance in 1985. Eating places should also post a better real sales performance in 1986 than the industry as a whole—3.7 percent compared with 2.8 percent.

The healthy economic climate in 1986 should help boost eating place sales. Unemployment is expected to drop to its lowest level in nearly six years—7.1 percent, while real disposable income is forecast to advance 3.0 percent. Additionally, consumers are expected to cut back on their durable goods expenditures next year. As a result, consumers will have more cash to spend on non-durable goods and services, such as clothing and restaurant meals. Although consumers should have more cash, they will also be working on decreasing their debt load and increasing their savings, and this may dampen their discretionary spending. Many consumers, because they want to continue to eat out, may trade down to less expensive establishments in order to stretch their restaurant dollar.

The weather is another key variable. In 1985, extremely harsh weather in January and February, when temperatures averaged 5° to 10° Fahrenheit colder than normal in much of the country, caused real eating place sales to fall 0.5 percent; and the industry was never able to fully recover from this initial loss. However, the outlook for 1986 is much more promising. Experts predict that weather this coming winter will be closer to normal. As a result, restaurant sales should not be adversely affected.

Fast food establishments continue to post strong growth . . .

Limited menu restaurants (which primarily include fast food and quick service establishments) will continue to lead the eating place segment with impressive sales gains in 1986. Fast food sales are expected to jump 8.7 percent next year to total $51.2 billion. This is greater than the 7.8 percent gain posted in 1985 but below the 10.7 percent increase reported in 1984. Real sales, after adjusting for inflation, are forecast to rise 4.8 percent in 1986, compared to a smaller 3.9 percent real increase in the prior year. This increase is well above the 3.7 percent real gain recorded for all eating places and the 2.8 percent industry average.

A variety of factors will help shape the direction of the fast food segment in 1986. The desire for convenience stands out as one principal force behind this category's growth. As the number of working women and two-paycheck households continues to grow, quick and easy meals will become increasingly important to consumers. Limited menu establishments are prepared to cater to these needs in the coming year as evidenced by the growing number of operators that are featuring take out, home delivery and breakfast. However, fast food establishments will face serious competition from supermarkets. Many consumers prefer the supermarket deli and salad bar over fast food establishments because they perceive supermarket food as being less expensive and of higher quality.

In 1986, aggressive advertising and promotional programs are anticipated as firms attempt to set themselves apart to lure customers.

Establishments will continue to bolster their image with more upscale foods (burgers with a variety of toppings), redecorated units (a more high-tech atmosphere) and more high intensity flavors (spicy chicken).

In addition, these fast food units will continue to expand their operations. Not only will firms build new units but many operations also will open in non-traditional sites, such as hospitals and office buildings; acquire existing units; and open smaller versions of already existing concepts (mini-stores).

Full service restaurant sales expected to rise 6.8 percent . . .

Restaurants and lunchrooms, the largest eating place category, should experience healthy growth in 1986. Accounting for one-third of total industry sales, the restaurant and lunchroom category should post sales of $62.4 billion, up 6.8 percent from $58.4 billion in 1985. Inflation-adjusted sales are expected to climb 2.9 percent versus a 2.1 percent advance in 1985 and a stronger 4.9 percent increase in 1984.

As consumers find themselves with more disposable income, traffic and sales at these establishments should rise. But consumers will have extremely high expectations for their restaurant experience. Not only will the restaurant's service and ambiance be important but also the quality, variety and price of food items offered.

Increased travel for business and vacations will also benefit this segment. Discounted airline fares have encouraged more domestic travel, and a slightly lower U.S. dollar may help boost foreign travel to the U.S.

Cafeteria sales to reach $3.5 billion . . .

Sales at **commercial cafeterias** should rise 6.3 percent in 1986 to $3.5 billion. This is a considerable improvement over 1985 when sales advanced a meager 3.4 percent. After adjusting for inflation, real sales in this category are projected to increase a moderate 2.4 percent. However, this marks the slowest rate of real growth in the eating place segment and is slightly below the industry average.

The major cafeteria chains will continue to upgrade their operations, including redecorating units and updating menu item selections. But sales at these establishments may be dampened somewhat next year because many cafeteria customers have been hard hit by a slowdown in wage increases.

Ice cream, frozen custard stands post sales of $1.5 billion . . .

Sales at **ice cream and frozen custard stands** are forecast to increase 6.9 percent and reach $1.5 billion in 1986. Inflation-adjusted sales are expected to rise 3.0 percent versus a stronger 3.3 percent gain in 1985.

America's ongoing love affair with ice cream will benefit this segment, and

Eating Place Sales: $120 billion

	1983 Estimated F&D sales ($000)	1985 Projected F&D sales ($000)	1986 Projected F&D sales ($000)	1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
Total eating places	$95.266.715	$111.524.337	$120.001.187	7.6%	3.7%	8.0%
Restaurants, lunchrooms	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Limited menu restaurants, refreshment places	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial cafeterias	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Social caterers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ice cream, frozen custard stands	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

gourmet ice cream parlor establishments are forecast to expand. Some major chains also have been building sales by introducing food items, such as hamburgers and french fries, resulting in the reclassification of many stores as fast food units. This explains why growth is expected to slow somewhat in this segment between 1985 and 1986.

Business will boom for social caterers . . .

Social caterers can expect business to be relatively good in 1986. This category should post the second best performance in the eating place group, with sales climbing 7.1 percent to $1.4 billion. This is well above the 4.9 percent nominal increase recorded by social caterers in 1985. In inflation-adjusted dollars, sales are projected to advance a healthy 3.2 percent in 1986, compared with a modest one percent real gain in 1985.

If a tax law reducing or eliminating the deductibility for entertainment expenses is passed, the outlook could change drastically for social caterers.

MAJOR MARKET SALES

Operators can take an in-depth look at 1986 sales projections for specific foodservice segments by examining the statistical tables in this section. The industry has been divided into nine major markets. The eating place segment, not included here, is detailed in the previous section. Following the nine-table breakdown, is a one page table outlining total 1986 food and drink sales for the foodservice industry.

Lodging place sales: $11.7 billion

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total lodging places	$9,360,292	$10,887,420	$11,713,561	7.6%	3.7%	7.8%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Educational foodservice sales: $8.7 billion

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total educational feeding	$7,765,280	$8,359,744	$8,706,935	4.2%	0.2%	3.9%
Colleges & universities						
Contractor	$1,494,312	$1,638,041	[illegible]	[illegible]	[illegible]	[illegible]
Institutional	2,931,324	3,188,812	[illegible]	[illegible]	[illegible]	[illegible]
Subtotal	$4,425,636	$4,826,853	$5,036,133	4.3%	0.4%	4.4%
Primary & secondary schools						
Contractor	$ 762,183	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Institutional	2,577,461	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Subtotal	$3,339,644	$3,532,891	$3,670,802	3.9%	0.0%	3.2%

Employee foodservice sales: $5.9 billion

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total employee foodservice	$4,923,603	$5,588,079	$5,907,746	5.7%	1.8%	6.3%
Food contractors						
Manufacturing & industrial plant	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial & office building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Institutional employee foodservice*	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Includes sales for industrial and commercial organizations, seagoing ships and inland waterway vessels.

Lodging place foodservice outlook:

- New construction and expansion of convention facilities should contribute to this sector's growth.
- Increased domestic and foreign travel in the U.S. will boost lodging place sales.

Educational foodservice outlook:

- Declining enrollment in public and private colleges and universities should contribute to this segment's slow growth. On the other hand, the number of children enrolled in primary and secondary schools is expected to increase in 1986, helping boost total educational foodservice sales.
- Innovative meal plans designed to compete with fast feeders should help sustain food contractor sales growth at *colleges and universities*.
- Contractors are also making inroads at colleges *and universities that operate their own foodservice*.
- Institutional foodservice sales at *primary and secondary schools* are also facing increasing competition from contractors and fast feeders.

Employee foodservice outlook:

- Increased employment in commercial and office buildings as well as improvements in industrial and manufacturing plant employment should boost growth in this segment.
- Although increases in the number of white collar jobs may help growth for the contractor foodservice sales in *commercial and office buildings*, these gains may be dampened by major companies requiring their contractors to supply employee meals at a fixed price.
- A slight increase in the number of blue collar job openings will benefit food contractor sales in manufacturing and industrial plants.
- Institutional foodservice sales in the employee foodservice category, which include meal and snack sales for *industrial and commercial organizations, seagoing ships and inland waterway vessels*, will face stiffer competition from contractors, especially in the office segment.

Health care foodservice outlook:

- Increasing health care costs and declining patient days will contribute to weak food and drink sales at health care facilities.
- Much of the impressive growth anticipated for contractor foodservice sales at *hospitals and nursing homes* is the result of increased use of foodservice as a marketing tool to attract clients.
- High nursing home occupancy rates and the growing number of senior citizens should boost sales for *nursing homes* that operate their own foodservice.
- *Hospitals* that operate their own foodservice will suffer not only from declining average patient stays but also from increased competition from contractors.

Military foodservice outlook:

- Military foodservice sales growth is due to increased and improved quality food offerings. In addition, the number of military troops continues to surpass quotas.

Transportation foodservice outlook:

- Increasing passenger miles and steady business traffic are two factors that are projected to contribute to this segment's impressive showing.
- Airlines will probably continue to use fare discounts and other incentives to boost passenger traffic. In addition, some airlines are cutting costs by serving a snack rather than a meal and beverages instead of snacks.
- Railroads continue to show modest gains, and cruise ships are increasing passenger capacity in order to meet travelers' demands.

Recreational foodservice outlook:

- Due to a drop in the value of the dollar, fewer Americans are expected to travel abroad in 1986, and many may opt to spend their leisure time at recreational facilities in the U.S. In addition, improved quality and variety of foodservice offerings in this segment will help strengthen sales in 1986.
- Better foodservice offerings at *recreational and sports centers* that operate their own foodservice including *drive-in movies* and *bowling lanes* should help increase per person expenditures and boost meal and snack sales in this category.
- Food and drink sales at *clubs, sporting and recreational camps* should continue to grow next year unless tax legislation reducing the deductibility of such expenditures is passed. In addition, recreational and sporting camps will benefit from stabilized real estate and camp costs.

Other foodservice outlook:

- *Retail hosts* will post strong foodservice sales gains due to growth in foodservice sales at convenience stores and grocery stores.
- *Mobile caterers* will benefit from strong employment in the construction sector and from good recreational demand.
- Sales for *vending and non-store retailers* will grow as this segment branches out from its traditional industrial plant base into non-traditional sites such as office complexes.
- *Community centers* will suffer due to funding cuts for public and community projects.

Health care foodservice sales: $11.8 billion

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total health care foodservice	**$11,202,476**	**$11,544,029**	**$11,794,575**	**2.2%**	**1.1%**	**1.7%**
Contractors in hospitals & nursing homes	1,033,545	1,204,665	1,293,810	7.4	3.5	7.8
Hospitals	7,375,052	7,256,486	7,263,743	0.1	-3.1	-0.5
Nursing homes	2,793,879	3,082,878	3,237,022	5.0	1.8	5.0

Military foodservice sales: $932.6 million

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total military foodservice[1]	**$766,522**	**$875,654**	**$932,587**	**6.5%**	**2.6%**	**6.8%**
Officers & NCO clubs ("Open Mess")	506,248	578,520	615,545	6.4	2.5	6.7
Military exchange foodservice	260,274	297,134	317,042	6.7	2.8	6.8

[1] Continental U.S. only

Transportation foodservice sales: $1.8 billion

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total transportation foodservice	**$1,378,863**	**$1,682,425**	**$1,833,675**	**9.0%**	**6.5%**	**10.0%**
In-transit feeding (commercial airlines)	618,920	757,075	825,969	9.1	6.6	10.1
Transportation[2]	759,943	925,350	1,007,706	8.9	6.4	9.9

[2] Includes sales on airlines, passenger/cruise liners and railroads.

Recreational foodservice sales: $5.6 billion

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Total recreational foodservice	**$4,507,998**	**$5,238,545**	**$5,633,928**	**7.5%**	**3.6%**	**7.7%**
Recreation & sports centers[1]						
Contractors	$1,175,715	$1,368,786	$1,471,445	7.5%	3.6%	7.8%
Non-contractors	1,821,614	2,120,781	2,284,081	7.7	3.8	7.8
Subtotal	**$2,997,329**	**$3,489,567**	**$3,755,526**	**7.6%**	**3.7%**	**7.8%**
Clubs, sporting and recreational camps[2]	$1,510,669	$1,748,978	$1,878,402	7.4%	3.5%	7.5%

[1] Includes sales at drive-in movies, bowling lanes and recreation and sports centers.
[2] A proportion of food and beverage sales in clubs is business related.

Other foodservice sales

	($000)			1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
	1983	1985	1986			
Retail hosts	$4,451,414	$5,474,598	$6,076,804	11.0%	7.1%	10.9%
Mobile caterers	493,992	583,636	632,661	8.4	4.5	8.6
Vending & non-store retailers*	3,386,729	3,895,077	4,175,522	7.2	3.2	7.5
Community centers	374,228	390,466	401,008	2.7	0.5	2.3

**Includes sales of hot food, sandwiches, pastries, coffee and other hot beverages.*

For further information, contact:
National Restaurant Association
311 First Street, N.W., Washington, DC 20001
(202) 638-6100

1985-86 Officers

Ted Balestreri	*Chairman of the Board and President*
G. "Jim" Hasslocher	*Vice President*
Michael Grisanti	*Treasurer*

Foodservice— Number of units

Commercial Feeding	394,000
Institutional Feeding	166,000
Military Feeding	1,000

Foodservice sales have risen dramatically since 1970 . . .

Year	Sales (billion $)
1970	$ 42.7
1975	70.1
1983	152.0
1986	185.8

Foodservice Sales Projection, 1986: $185.8 billion

	Sales (billion $)
Commercial Feeding	
Eating Places	$120.0
Drinking Places	8.0
Foodservice Contractors	10.0
Hotel/Motel Restaurants	11.7
Other: Retail, Vending, Recreation	13.2
	$162.9
Institutional Feeding	
Business, schools, hospitals, nursing homes and others which operate their own foodservice	**$ 22.0**
Military Feeding	
Base exchange, officers' and NCO Club foodservice	**$ 0.9**

Foodservice—The number one retail employer . . .

- Employment in the foodservice industry equals more than 8 million persons.
- Two-thirds of the industry's employees are women and one-fourth are teenagers.
- Sixty-four percent of job openings will be filled by women and 49 percent will be filled by teenagers.
- Total annual foodservice wages and benefits equal nearly $51 billion.

Foodservice is a ladder to management opportunity . . .

- 31 percent of industry employees are managerial or administrative personnel.
- Foodservice employs more minority managers than any other retail industry.
- Half of all foodservice managerial and administrative personnel are women.

Foodservice—An integral part of our nation's economy . . .

- Foodservice will achieve a real gain in sales of 2.8 percent in 1986
- Foodservice industry sales equal nearly 5 percent of the U.S. Gross National Product
- Foodservice receives 40 percent of all consumer expenditures for food
- Food and beverage purchases will total $72.5 billion in 1986

Foodservice—First in daily customer contact . . .

- Individuals eat out an average of 3.7 times a week or 192 times a year
- Over 45 billion meals are eaten in restaurants, school and work cafeterias each year
- Eight out of 10 households report eating out regularly
- Per person check equals $3.34
- Breakfast is capturing a rising share—9.6 percent of the occasions in 1984 versus 8.4 percent in 1982

Chains and franchises grow in importance . . .

- Chains with more than one unit account for $55.4 billion, or 46 percent, of eating place sales in 1986
- Chains with 25 or more units contribute over $32.9 billion, or 27 percent, of eating place sales in 1986
- Sales of franchise restaurants reached $38.7 billion in 1983, up from $4.6 billion in 1970

Eating and drinking places are mostly small businesses . . .

- Seven out of 10 units have sales under $500,000
- Most are single unit operations
- About half are sole proprietorships or partnerships
- The average sales per establishment for a full service restaurant was $393,698 in 1982.
- The average sales per establishment for a fast food restaurant was $335,551 in 1982.

The National Restaurant Association's on-going consumer research activities reveal . . .

- As income increases, consumers eat away from home more frequently and spend a greater proportion of their food dollar on meals away from home
- Italian food is the best known, most tried, most frequently ordered and most likely to be ordered again ethnic food in restaurants.
- Chinese and Mexican foods rank #2 and #3 as popular ethnic foods in restaurants.
- Americans like to try new restaurants and new foods. Four out of 10 said they have been to a restaurant which specializes in pizza delivery and one out of three have been to a place which specializes in barbecue
- Patronage of restaurants specializing in pasta (35%), gourmet hamburgers (33%), diet or lite menu items (26%), Oriental fast food (25%) and Mexican broiled chicken (17%) is also high
- Consumers like the convenience of take-out meals. Seven out of 10 have purchased a take-out meal or snack in the past month
- The most popular take-out foods are hamburgers, french fries, chicken and pizza
- The typical take-out meal occurred in the past two weeks, occurred at a fast food place, was for lunch or dinner, the order was placed at the counter, the patron drove to the establishment, the establishment was less than 2 miles away

1985-86
Foodservice Industry

1986 Sales	**$185.8 billion**
Units	**561,000**
Employees	**8 million**
Foodservice share of the Food Dollar	**40 percent**

NATIONAL RESTAURANT ASSOCIATION POCKET FACTBOOK

The Foodservice Industry—
Food and Drink Sales Projected to 1986

	1983 Estimated F&D sales ($000)	1985 Projected F&D sales ($000)	1986 Projected F&D sales ($000)	1985–1986 Percent change	1985–1986 Percent real growth change	1983–1986 Compound annual growth rate
GROUP I—Commercial Feeding[1]						
Eating places						
Restaurants, lunchrooms	$ 50,530,025	$ 58,444,122	$ 62,427,147	6.8%	2.9%	7.3%
Limited menu restaurants, refreshment places	39,494,133	47,129,314	51,229,564	8.7	4.8	9.1
Commercial cafeterias	2,920,486	3,273,444	3,479,671	6.3	2.4	6.0
Social caterers	1,147,827	1,301,600	1,394,014	7.1	3.2	6.7
Ice cream, frozen custard stands	1,174,244	1,375,857	1,470,791	6.9	3.0	7.8
Total eating places	$ 95,266,715	$111,524,337	$120,001,187	7.6%	3.7%	8.0%
Bars/taverns	8,157,044	8,238,418	8,040,696	−2.4	−6.3	−0.5
Total eating & drinking places	$103,423,759	$119,762,755	$128,041,883	6.9%	3.0%	7.4%
Food contractors						
Manufacturing & industrial plants	$ 2,393,792	$ 2,729,641	$ 2,890,690	5.9%	2.0%	6.5%
Commercial & office buildings	763,189	872,013	931,310	6.8	2.9	6.9
Hospitals & nursing homes	1,033,545	1,204,665	1,293,810	7.4	3.5	7.8
Colleges & universities	1,494,312	1,638,041	1,713,391	4.6	0.7	4.7
Primary & secondary schools	762,183	825,155	865,588	4.9	1.0	4.3
In-transit feeding (airlines)	618,920	757,075	825,969	9.1	6.6	10.1
Recreation & sports centers	1,175,715	1,368,786	1,471,445	7.5	3.6	7.8
Total food contractors	$ 8,241,656	$ 9,395,376	$ 9,992,203	6.4%	2.6%	6.6%
Lodging places						
Hotel restaurants	$ 6,449,722	$ 7,515,409	$ 8,094,095	7.7%	3.8%	7.9%
Motor hotel restaurants	1,119,269	1,298,201	1,394,268	7.4	3.5	7.6
Motel restaurants	1,791,301	2,073,810	2,225,198	7.3	3.4	7.5
Total lodging places	$ 9,360,292	$ 10,887,420	$ 11,713,561	7.6%	3.7%	7.8%
Retail host restaurants[3]	$ 4,451,414	$ 5,474,598	$ 6,076,804	11.0%	7.1%	10.9%
Recreation & sports[4]	1,821,614	2,120,781	2,284,081	7.7	3.8	7.8
Mobile caterers	493,992	583,636	632,561	8.4	4.5	8.6
Vending & non-store retailers[5]	3,386,729	3,895,077	4,175,522	7.2	3.3	7.2
TOTAL GROUP I	**$131,179,456**	**$152,119,643**	**$162,916,715**	**7.1%**	**3.2%**	**7.5%**
GROUP II—Institutional Feeding—Business, Educational, Government or Institutional Organizations Which Operate Their Own Foodservice						
Employee feeding[6]	$ 1,766,622	$ 1,986,425	$ 2,085,746	5.0%	1.1%	5.7%
Public & parochial elementary, secondary schools	2,577,461	2,707,736	2,806,214	3.6	0.3	2.9
Colleges & universities	2,931,324	3,188,812	3,322,742	4.2	0.3	4.3
Transportation	759,943	925,350	1,007,706	8.9	6.4	9.9
Hospitals[7]	7,375,062	7,256,486	7,263,743	0.1	−3.1	−0.5
Nursing homes, homes for aged, blind, orphans, mentally & physically handicapped[8]	2,793,879	3,082,878	3,237,022	5.0	1.8	5.0
Clubs, sporting & recreational camps	1,510,669	1,748,978	1,878,402	7.4	3.5	7.5
Community centers	374,278	390,466	401,008	2.7	−0.5	2.3
TOTAL GROUP II	**$ 20,089,178**	**$ 21,287,131**	**$ 22,001,583**	**3.4%**	**0.1%**	**3.1%**
TOTAL GROUP I & II	**$151,268,634**	**$173,406,774**	**$184,918,298**	**6.6%**	**2.8%**	**6.9%**
GROUP III—Military feeding[9]						
Officers & NCO clubs ("Open Mess")	$ 506,248	$ 578,520	$ 615,545	6.4%	2.5%	6.7%
Foodservice—military exchanges	260,274	297,134	317,042	6.7	2.8	6.8
TOTAL GROUP III	**$ 766,522**	**$ 875,654**	**$ 932,587**	**6.5%**	**2.6%**	**6.8%**
GRAND TOTAL	**$152,035,156**	**$174,282,428**	**$185,850,885**	**6.6%**	**2.8%**	**6.9%**

Footnotes:

1. Data are given only for establishments with payroll.
2. Food and drink sales for non-payroll establishments totaled $2,992,506,000 in 1983.
3. Includes drug and proprietary store restaurants, general merchandise store restaurants, variety store restaurants, food store restaurants, grocery store restaurants, gasoline service station restaurants and miscellaneous retailers.
4. Includes drive-in movies, bowling lanes, recreation and sport centers.
5. Includes sales of hot food, sandwiches, pastries, coffee and other hot beverages.
6. Includes industrial and commercial organizations, seagoing and inland waterway vessels.
7. Includes voluntary and proprietary hospitals, long-term general, TB, mental hospitals, and sales or commercial equivalent to employees in state and local short-term hospitals and federal hospitals.
8. Sales (commercial equivalent) calculated for nursing homes and homes for the aged only. All others in this grouping make no charge for food served either in cash or in kind.
9. Continental U.S. only.

1986 FOOD & DRINK PURCHASES

Food and drink purchases for the foodservice industry are forecast to reach $72.5 billion in 1986. Purchases in the Commercial Feeding Group, which account for 73.5 percent of the total amount spent, are estimated to equal $53.3 billion.

Highlights for 1986 food and drink sales:

- Eating places, which comprise the largest component of the Commercial Feeding Group, are projected to record food and drink purchases of $40.8 billion.
- Food contractor purchases are forecast to equal $4.0 billion. This group represents the largest component of the commercial segment outside of eating places in the amount of dollars spent.
- Purchases for the Institutional Feeding Group, which account for 17.4 percent of total industry food and drink purchases, should reach $12.6 billion.
- Hospitals, the largest food and beverage purchasers in the institutional segment, should record purchases of $3.3 billion.
- Food and drink purchases that will be provided to foodservice employees in both the Commercial and Institutional Feeding Groups are forecast to reach $4.3 billion.
- Military foodservice purchases are predicted to total $2.3 billion. Defense personnel expenditures represent the largest share of military foodservice purchases, totaling approximately $2.0 billion.

THE FOODSERVICE INDUSTRY FOOD AND DRINK PURCHASES PROJECTED TO 1986*

	Estimated food and drink purchases ($000)
GROUP I: Commercial Feeding[1]	
Eating places	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total eating places	$40,839,777
[illegible]	[illegible]
Total eating and drinking places	$41,251,863
Food contractors	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total—food contractors	$ 4,019,424
Lodging places	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total—lodging places	$ 3,700,897
Other commercial	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total—other commercial	$ 4,322,066
TOTAL—GROUP I	$53,294,250

GROUP II: Institutional feeding—Business, educational, government or institutional organizations that operate their own foodservice.	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
TOTAL—GROUP II	$12,658,658
TOTAL—GROUPS I AND II	$65,952,908
[illegible]	[illegible]
TOTAL—GROUPS I, II AND FSE	$70,259,276
GROUP III: Military Feeding	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
TOTAL—GROUP III	$ 2,270,964
GRAND TOTAL	$72,530,240

[illegible]

REGIONAL & STATE FORECAST

The National Restaurant Association for the sixth consecutive year has forecast eating place sales for each of the 50 states and the District of Columbia. Restaurateurs can use this information not only to compare the sales performance of their establishment with others in their state and region but also to plan ahead.

Eating place sales performance depends, in large part, on the economic situation in the area. Such factors as the area's industrial mix, income, population and employment growth all affect restaurant sales.

Regional highlights . . .

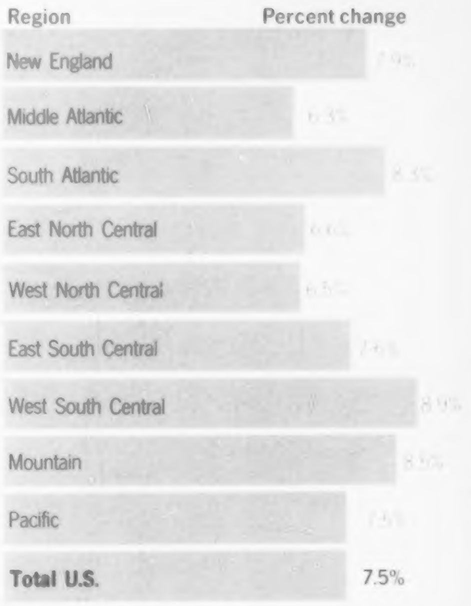
- Leading the nation with the most impressive sales gain in 1986 should be the West South Central region—up 8.9 percent. The Mountain and South Atlantic states should follow with advances of 8.5 percent and 8.3 percent, respectively.
- The Middle Atlantic region is expected to post the lowest sales increase next year—6.3 percent.
- The Pacific states should continue to outperform the other regions in terms of total restaurant sales. Sales are expected to reach $24.8 billion in this region in 1986. The South Atlantic region should come in second with sales of $22.1 billion, while the East North Central region should come in third with sales of $20.3 billion.
- Arizona is expected to boast the most substantial eating place sales increase of all the states, advancing 9.3 percent. Close behind should be Texas (9.2 percent), Florida (9.1 percent) and Alaska (9.1 percent).
- California is expected to outshine all other states in total restaurant sales in 1986—$18.6 billion. Texas is projected to rank second with sales of $10.5 billion, and New York, with sales of $9.8 billion, should place third.

The regional economies Percent change: 1985–1986

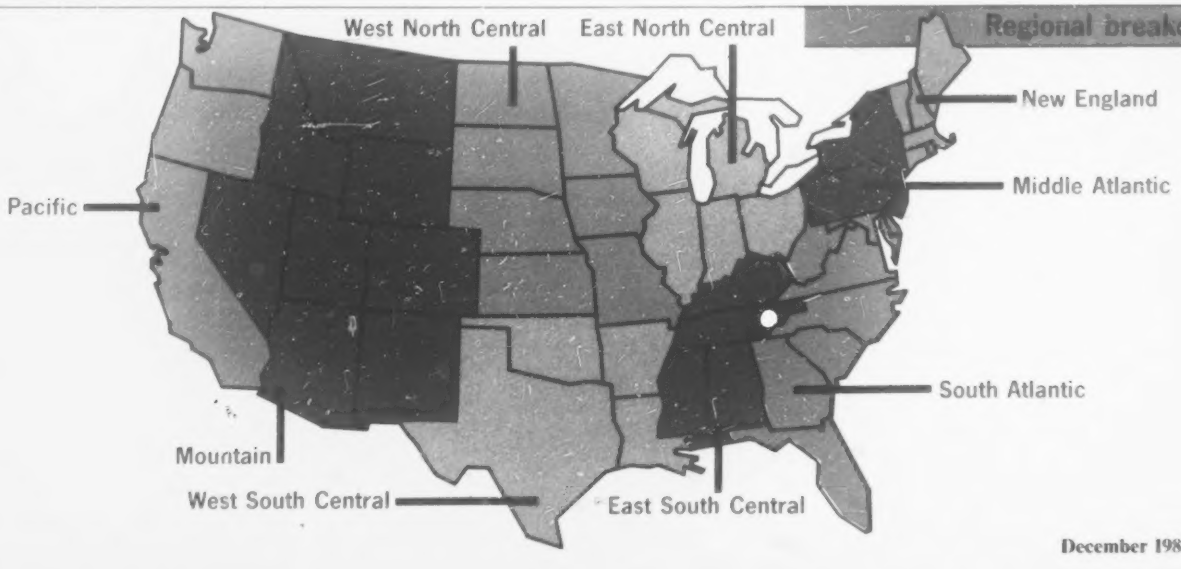
Region	Population	Total employment	Manufacturing employment	Personal income
New England	[illegible]	[illegible]	[illegible]	4.1%
Middle Atlantic	[illegible]	[illegible]	[illegible]	[illegible]
South Atlantic	[illegible]	[illegible]	[illegible]	[illegible]
East North Central	[illegible]	[illegible]	[illegible]	[illegible]
West North Central	[illegible]	[illegible]	[illegible]	[illegible]
East South Central	[illegible]	[illegible]	[illegible]	[illegible]
West South Central	[illegible]	[illegible]	[illegible]	[illegible]
Mountain	[illegible]	[illegible]	[illegible]	[illegible]
Pacific	[illegible]	[illegible]	[illegible]	[illegible]
Total U.S.	0.9%	2.2%	2.4%	4.0%

Source: National Planning Association, Regional Economic Projections Series; NRA

Percent change in eating place sales by region 1985–1986



Regional breakdown



New England

Major industries

- High technology
- Defense
- Manufacturing
- Service
- Textiles and apparel
- Tourism

Outlook

- The region has a diverse industrial base—dominated by the booming high-tech industry.
- The area's rapidly growing service sector should benefit from the growing need for research and development as well as data processing services.
- Many of these states plan to increase their tourism budgets, which should affect the region positively.
- The ailing textile and apparel industry will probably remain a sore spot on the New England economy as the strong U.S. dollar continues to hamper exports.
- Employment, population and personal income gains should outpace the national average.
- Total eating place sales for the region are forecast to reach $8.8 billion, a 7.9 percent increase from the prior year.
- New Hampshire is projected to have the greatest eating place sales increase in the region—8.4 percent, followed by Vermont with an 8.3 percent advance.
- With sales of $4.7 billion, Massachusetts should easily be the top performer in the region in terms of eating place sales. Connecticut should place second with $2.0 billion.

Middle Atlantic

Major industries

- Finance
- Service
- Manufacturing/ heavy industry
- High technology
- Tourism

Outlook

- High technology is playing a larger role in the area's economy as states are moving away from the heavy industries, such as steel.
- The strength of the region's finance sector should continue and this should, in turn, spark the region's growth.
- The electrical equipment and non-electrical machinery sectors should continue to make healthy gains.
- The region's total employment should advance a modest 1.5 percent in 1986, while personal income is expected to rise 3.0 percent.
- Eating place sales are projected to advance 6.3 percent to $19.1 billion in 1986.
- Eating place sales in New Jersey are expected to outpace the rest of the region, advancing 6.4 percent, slightly above the regional average.
- New York is forecast to record eating place sales of $9.8 billion in 1986, a 6.2 percent gain.

South Atlantic

Major industries

- Service
- Textiles and apparel
- High technology
- Defense
- Tourism
- Steel

Outlook

- A varied mix of service-related industries in the region should help keep the economy healthy.
- The continued expansion of high-tech firms in the area will undoubtedly benefit the region.
- Increased spending for defense should have a positive influence on the area's economy.
- Competition in foreign markets due to the strong U.S. dollar is expected to continue to hurt the region's textile industries.
- Population, employment and income growth should be well above the national average.
- The region's eating place sales are forecast to rise 8.3 percent in 1986 to $22.1 billion, the third strongest advance in the nation.
- Florida should rank first in the region in eating place sales growth—up 9.1 percent, considerably above the 8.3 percent regional average and the 7.5 percent national average.
- Other states in the region that should post above average advances in eating place sales include: South Carolina (up 8.8 percent), North Carolina (up 8.7 percent) and Georgia (up 8.4 percent).

East North Central

Major industries

- Automobile
- Steel
- Rubber
- Agriculture
- Robotics

Outlook

- The automobile industry should continue to be healthy, and this will benefit the steel and rubber industries.
- Agricultural industries will probably continue to face hard times as the farm crisis is expected to worsen.
- The growing presence of robotics industries in the region should prove to be a bright spot on the region's economic picture.
- Personal income, population and employment should increase at a slower pace than the national average.
- Eating place sales are projected to reach $20.3 billion, a 6.6 percent advance over the year before.
- Michigan is expected to top the region with a 7.0 percent increase in eating place sales. Indiana should follow close behind with a 6.9 percent advance.
- In terms of eating place sales, Illinois should lead the region with sales of $5.6 billion. Not far behind should be Ohio, which is projected to record sales of $5.3 billion in 1986.

East South Central

Major industries

- Housing
- Automobile
- Defense
- Textiles and apparel
- Paper

Outlook

- The housing sector should benefit from lower interest rates.
- The region's automobile industries should experience healthy gains.
- Defense-related businesses, especially electrical and electronic machinery and equipment firms, should help boost the area's economy.
- Growth in the textile and apparel industries should continue to be frustrated by the strong U.S. dollar.
- The region's strongest growth is predicted to be in manufacturing employment, which should advance 2.7 percent compared to 2.4 percent for the entire U.S. Personal income, total employment and population, however, should [illegible]se at a lower pace than the national average.
- Eating place sales are expected to advance 7.6 percent to $5.9 billion. This approximates the national average.
- Eating place sales should post the most significant increase in Tennessee, jumping 7.9 percent.

Percent change in state and regional economic indicators: 1985–1986 Eating place sales

	Percent change State	Population	Total employment	Manufacturing employment	Personal income	($000) 1985	1986	Percent change
New England	Connecticut	0.9%	2.4%	1.6%	3.6%	$1,886,762	$2,033,929	7.8%
	Maine	0.8	1.8	1.6	3.7	564,204	603,698	7.0
	Massachusetts	1.1	2.2	2.0	4.1	4,342,789	4,694,555	8.1
	New Hampshire	2.6	4.1	3.6	5.9	595,633	645,666	8.4
	Rhode Island	2.0	2.9	2.1	4.5	510,187	547,941	7.4
	Vermont	1.3	2.2	3.0	3.9	292,333	316,597	8.3
	Total region	1.2%	2.6%	2.0%	4.1%	$8,191,908	$8,842,386	7.9%
Middle Atlantic	New Jersey	0.8%	2.2	0.7%	3.5%	$3,648,719	$3,882,237	6.4%
	New York	0.4	1.5	0.6	2.6	9,216,736	9,788,174	6.2
	Pennsylvania	0.4	1.3	0.5	3.0	5,108,189	5,430,005	6.3
	Total region	0.5%	1.5%	0.7%	3.0%	$17,973,644	$19,100,416	6.3%
South Atlantic	Delaware	[illegible]	1.4%	[illegible]	[illegible]	$316,279	$339,366	7.3%
	District of Columbia	[illegible]	0.5	[illegible]	1.0	656,705	696,110	6.0
	Florida	2.8	4.0	3.6	5.8	6,725,558	7,337,738	9.1
	Georgia	1.1	[illegible]	[illegible]	4.5	2,829,216	3,065,456	8.4
	Maryland	[illegible]	1.8	[illegible]	[illegible]	2,379,277	2,529,703	6.3
	North Carolina	1.2	[illegible]	[illegible]	4.6	2,814,134	3,057,838	8.7
	South Carolina	1.1	[illegible]	[illegible]	4.6	1,398,380	1,520,738	8.8
	Virginia	[illegible]	3.0	2.6	4.2	2,657,387	2,878,297	8.3
	West Virginia	[illegible]	[illegible]	[illegible]	[illegible]	614,796	657,913	6.2
	Total region	1.3%	2.4%	2.8%	4.6%	$20,392,554	$22,077,659	8.3%
East North Central	Illinois	[illegible]	1.2%	[illegible]	3.0%	$5,294,109	$5,627,638	6.3%
	Indiana	0.6	1.4	1.4	[illegible]	2,683,042	2,868,172	6.9
	Michigan	1.0	1.4	1.1	3.4	4,017,835	4,299,083	7.0
	Ohio	0.6	1.3	1.0	3.1	5,004,876	5,330,193	6.5
	Wisconsin	[illegible]	1.8	[illegible]	3.5	2,058,157	2,193,995	6.6
	Total region	0.6%	1.4%	1.2%	3.2%	$19,058,019	$20,319,081	6.6%
East South Central	Alabama	[illegible]	1.6%	[illegible]	4.0%	$1,261,254	$1,350,803	7.1%
	Kentucky	[illegible]	0.9	3.0	[illegible]	1,451,403	1,560,258	7.5
	Mississippi	[illegible]	1.0	2.1	3.7	732,579	788,059	7.6
	Tennessee	[illegible]	1.9	[illegible]	3.9	2,073,199	2,236,982	7.9
	Total region	0.5%	1.3%	2.7%	3.7%	$5,518,253	$5,936,102	7.6%
West North Central	Iowa	[illegible]	[illegible]	[illegible]	[illegible]	$1,097,348	$1,158,790	5.6%
	Kansas	0.5	1.1	[illegible]	4.1	1,056,078	1,125,779	6.6
	Minnesota	1.1	1.3	3.0	3.4	1,964,770	2,098,513	7.2
	Missouri	[illegible]	[illegible]	1.4	[illegible]	2,418,791	2,575,480	6.5
	Nebraska	1.0	[illegible]	[illegible]	[illegible]	673,984	714,423	6.0
	North Dakota	[illegible]	[illegible]	[illegible]	[illegible]	263,764	282,227	7.0
	South Dakota	[illegible]	0.9	4.9	1.4	265,800	281,748	6.0
	Total region	0.6%	0.9%	2.5%	2.8%	$7,730,035	$8,233,969	6.5%
West South Central	Arkansas	[illegible]	1.4%	[illegible]	[illegible]	$878,201	$941,431	7.2%
	Louisiana	0.4	[illegible]	[illegible]	4.2	2,361,736	2,554,217	8.2
	Oklahoma	0.6	[illegible]	[illegible]	4.9	1,945,829	2,119,981	9.0
	Texas	1.8	[illegible]	[illegible]	[illegible]	9,603,868	10,484,693	9.2
	Total region	1.3%	3.0%	4.5%	5.4%	$14,789,634	$16,100,322	8.9%
Mountain	Arizona	3.6%	[illegible]	[illegible]	[illegible]	$1,611,473	$1,760,695	9.3%
	Colorado	1.8	[illegible]	5.7	[illegible]	2,111,843	2,298,952	8.9
	Idaho	0.4	1.8	4.3	3.5	376,428	402,401	6.9
	Montana	1.1	0.6	[illegible]	2.4	372,713	396,939	6.5
	Nevada	[illegible]	4.3	[illegible]	5.5	608,342	658,776	8.3
	New Mexico	1.4	[illegible]	[illegible]	4.8	701,834	764,648	9.0
	Utah	[illegible]	[illegible]	[illegible]	6.2	575,378	616,230	7.1
	Wyoming	1.1	[illegible]	3.5	5.4	293,335	319,148	8.8
	Total region	2.0%	3.6%	5.6%	5.5%	$6,651,246	$7,217,739	8.5%
Pacific	Alaska	1.5%	1.8%	[illegible]	5.4%	$469,928	$512,691	9.1%
	California	1.6	3.3	3.6	4.5	17,275,299	18,579,584	7.6
	Hawaii	0.8	0.8	1.5	2.4	1,117,251	1,196,554	7.1
	Oregon	1.0	1.6	4.4	4.2	1,509,630	1,614,549	7.0
	Washington	1.2	[illegible]	3.6	4.0	2,681,772	2,887,196	7.7
	Total region	1.5%	3.1%	3.4%	4.4%	$23,053,860	$24,790,691	9.1%

Source: National Planning Association, Regional Economic Projections Series, NPA

West North Central

Major industries
- Agriculture
- Farming equipment
- Automobile
- Defense

Outlook
- The agriculture sector can expect to experience another year of low prices, excess production and mounting debts.
- A poor performance from the agriculture sector will undoubtedly dampen growth in farming equipment industries.
- Increased demand from auto and defense industries should help lift the area's economy.
- Manufacturing employment in the region should record an above-average gain. Population, total employment and income, however, are projected to advance at a slower than average pace.
- Eating place sales are forecast to climb 6.5 percent to $8.2 billion, well below the national average.
- Minnesota will post eating place sales of $2.1 billion in 1986, up 7.2 percent from 1985. This represents the strongest increase in the region. North Dakota, with sales of $282 million, also will record an impressive 7.0 percent advance.
- Missouri will lead the region in total restaurant sales in 1986—$2.6 billion.

West South Central

Major industries
- Oil and gas
- Defense
- Chemicals
- Finance

Outlook
- The regional economy is predicted to be dampened by low demand and falling prices for oil and gas.
- The area's aerospace, fabricated metals and machinery industries should benefit from increased defense spending.
- The chemical sector is expected to show strong growth in 1986.
- The region should post the second best economic performance in the country. Population, employment and income are all expected to record significant increases.
- Eating place sales should make the most significant gain in the nation—jumping 8.9 percent to $16.1 billion.
- Eating place sales should climb a substantial 9.2 percent in Texas to $10.5 billion, the greatest advance in the region. Not far behind should come Oklahoma with a 9.0 percent increase.

Mountain

Major industries
- High technology
- Defense
- Mining
- Construction

Outlook
- The area's high tech sector continues to thrive, boosting the regional economy.
- Construction activity throughout the region is booming. Lumber and other construction-related industries should fare well as a result.
- Although the mining industries are predicted to remain stagnant in the coming year, the region should post the best economic performance in the country in 1986. Significant advances in population, employment and income will spur growth.
- Eating place sales should jump a substantial 8.5 percent to $7.2 billion in 1986.
- Arizona should lead the region and the nation with the most impressive eating place sales advance—up 9.3 percent to $1.8 billion. Other states in the region recording higher than average increases will be: New Mexico (up 9.0 percent), Colorado (up 8.9 percent) and Wyoming (up 8.8 percent).
- In terms of total sales, Colorado should rank first with $2.3 billion in 1986.

Pacific

Major industries
- Electronics/high technology
- Aerospace
- Defense
- Lumber
- Agriculture
- Tourism

Outlook
- Continued growth of high tech and electronic firms in the region should benefit the economy.
- Lower interest rates and increased housing starts should help the region's lumber industry.
- Defense-related companies are expected to fare well as the government continues to increase defense spending.
- The relatively strong U.S. dollar may continue to hinder foreign tourism.
- The region should post higher than average gains in population, employment and personal income.
- The region is expected to record eating place sales of $24.8 billion, the greatest amount in the country. This represents a 7.5 percent advance over 1985.
- Alaska should lead the region with the largest increase in eating place sales, up 9.1 percent to $512 million. Washington should place second with a 7.7 percent advance, and California should come in third with a 7.6 percent gain.
- California should lead the region and the nation in 1986 in total restaurant sales—$18.6 billion.

HOW THE REGIONAL FORECAST WAS PREPARED

The economic and sales data for the states have been arranged according to the nine census regions. Included for each state are revised eating place sales for 1985, projected 1986 sales figures and information on personal income, employment and population data. Much of the economic data in this report is based on information obtained from such sources as the Bureau of Economic Analysis, National Planning Association and the Chamber of Commerce.

The estimates for eating place sales used here were prepared in consultation with the research firm Malcolm M. Knapp, Inc. State-by-state historical eating place sales trends between 1972, 1977 and 1982 form the basis for these projections. Special attention was paid to growth trends between 1977 and 1982 for refreshment places (fast food) and restaurants and lunchrooms for each state. These sales figures were then modified to reflect current and projected income and population data.

A few reminders . . .

Here are a few things to keep in mind when using the regional sales figures in this report.
- Sales projections for 1985 are based on the best available data in September 1985. If the outlook for general economic conditions or the food situation changes significantly in 1986, these projections will require adjustment.
- Adjustments were made to arrive at a pre-determined U.S. total.
- Sales figures for each state are subject to greater error than the national projections.
- *The actual sales figures are a better indication than percent changes of the size of the restaurant industry in respective states.* Actual sales figures represent an overall allocation of total sales in the U.S., while percent changes are subject to more variation. Percent changes have been shown here as a convenience to Forecast readers.
- The sales information for states and regions are for all establishments. They represent the U.S. census definition of eating places (SIC Code 5812) and include figures for operations with payroll and without payroll as well as contract feeding. As a result, the sales figures for states and regions will not equal the total for eating places.
- Regional projections were not done separately, and, as a result, regional totals are sums of state data.

A LOOK BEYOND 1986

The foodservice industry faces a positive but challenging future for several years to come, according to a futuristic research project completed by the National Restaurant Association.[+] A panel of experts predicted that the restaurants of 1990 will flourish, thanks to a strong economy and a growing consumer market. However, they also felt that restaurants will have to confront some potentially negative developments in the areas of government regulation and legislation as well as labor shortages.

The structure of the industry will be in flux as operators integrate new technology, diverse food items and innovative cooking equipment into their operations.

The consumer in 1990 . . .

The consumer demographic and lifestyle trends discussed earlier in this report will continue, and this is good news for the industry as it prepares itself for the latter half of the decade. The consumer of the late 1980s will be able to eat out and will enjoy the convenience of meals prepared outside the home. Restaurant patrons will continue to have a strong interest in healthy, nutritious food, a desire for variety and quality and an insistence on receiving value for their money. Restaurateurs will be constantly challenged by these consumers during the remainder of the decade. Those who are successful in providing the food, service and atmosphere desired will survive and prosper.

The economic outlook . . .

Economic growth is expected to continue through the remainder of the decade. Real GNP should average yearly gains of 3.1 percent through 1990, and real disposable income is expected to post yearly increases of 3.2 percent. It should be noted that the economy is expected to slow in 1987, although most feel that a full-fledged recession will be avoided. Inflation will heat up slightly during the remainder of the decade—averaging a moderate 4.5 percent.

NRA's panel of experts agrees with this forecast. They foresee stable economic growth, moderate inflation and no recession.

This favorable economic outlook should have a positive effect on foodservice. Panelists feel that real sales (adjusted for inflation) will continue to be positive. In addition, operators will be able to hold down many fixed costs, such as those for food, rent and utilities.

The labor market in 1990 . . .

Restaurateurs will be working hard to promote the dynamic career opportunities in foodservice throughout the remainder of the decade. Good, experienced personnel will be harder to find. The supply of workers from the teenage population will dwindle, and operators will turn increasingly to women, senior citizens and handicapped individuals to fill jobs in all categories. These groups will be more demanding—wanting part-time schedules, improved working conditions and better benefits. In the tight labor market of the late 1980s, operators will have to concentrate on promoting and enriching the work lives of current employees rather than depending on a ready supply of new workers.

Increasing government regulation and legislation . . .

The federal government will probably consider important actions dealing with the minimum wage, tips and the deductibility of the business meal during the next few years. The consequences of such action are generally considered undesirable for the industry, causing labor costs to rise, more administrative burdens and a possible reduction of jobs and sales.

In summary . . .

Despite the threats of increased government regulation and labor problems, a basic optimism about the future of foodservice prevails. Changes will come rapidly, but the opportunities for innovation and profitability will be great.

1990 in a nutshell

These important developments will affect the industry . . .

- stable economic growth
- rise in personal income
- higher minimum wage
- FICA and FUTA taxes on tips
- reduced tax deduction for business meals
- more labor-saving equipment

Some consequences are likely to be good . . .

- rise in real sales
- improved working conditions and career opportunities
- prosperous consumers who dine out frequently

. . . while others are more ominous . . .

- loss of customers and jobs, resulting from change in business meal deduction
- loss of jobs and higher wages, resulting from a rise in the minimum wage
- rising cost of liquor liability insurance as dram shop laws increase
- cost burden of complying with more regulations
- more use of prepared foods.

Source: *The Restaurant Industry in 1990*, National Restaurant Association, October 1985.

[+] *NRA's study was based on a well-respected method for studying the future called the Delphi technique. In this technique the research subject lends itself to subjective judgments by a group of experts (in this case, the NRA Board of Directors), rather than to precise analytical techniques.*

Project participants were sent two questionnaires. The first asked them to list issues they believed would be vital to the industry in 1990. The second asked them to rank the issues according to importance and likelihood of occurrence. The results are reported in detail in The Restaurant Industry in 1990.

1985 UPDATE

Industry sales to reach $174.3 billion in 1985

How did the foodservice industry fare in 1985? Since the industry's performance during 1985 directly affects upcoming trends, this brief review of 1985 helps lay the groundwork for what is to come in 1986.

NRA's updated 1985 forecast reveals that the industry will post a gain in inflation-adjusted sales, but the gain will not be as robust as originally forecast. Although the economy has picked up steam in the second half of 1985 and the inflation rate continues to rise at a moderate pace, several other factors have hampered the industry's rate of expansion. Consumers continued to make major durable goods purchases. As a result, they increased their debt load in 1985 and put a squeeze on income available for entertainment and restaurant meals. In addition, the unemployment rate remained at a relatively high level because the manufacturing sector was not expanding as rapidly as had been anticipated.

Mother Nature had a dampening effect on the industry in 1985. Extremely harsh winter weather not only kept consumers at home but also forced many establishments to shut down for days. A nationwide cold spell affected much of the country in early 1985, with temperatures ranging 5°F to 10° Fahrenheit colder than normal. The Great Lakes and Great Plains states were especially hard hit. NRA estimates that approximately 0.5 percent of real sales growth was lost because of the cold January and February weather.

CREST data help to underscore some of the reasons behind NRA's downward revision. According to CREST, traffic at the nation's restaurants increased a slight 1.1 percent in the winter quarter, followed by a 1.1 percent decline in the spring. During this time, the general economy was posting only slight gains. However, during the summer, traffic was up a healthy 4.0 percent and is expected to make a good showing in the fall due, in large part, to the pick up in the general economy in the last half of the year.

Promotional usage was down in the winter, according to CREST, but during the spring and summer quarters of 1985 the proportion of restaurant visits on which a deal was used increased over the same quarters in 1984. One reason for this may be that consumers made major durable goods purchases during the year which reduced the amount of money they had to spend on eating away from home. Therefore, consumers turned to promotional coupons and other discounts offered by restaurants in order to get the best value for their money.

Foodservice industry food and drink sales 1984–1985

	($000)		Percent change	
	1984	1985	Current dollars	Constant dollars
Commercial Feeding Group	[illegible]	[illegible]	[illegible]	[illegible]
Eating places	[illegible]	[illegible]	[illegible]	[illegible]
Restaurants and lunchrooms	[illegible]	[illegible]	[illegible]	[illegible]
Limited menu restaurants	[illegible]	[illegible]	[illegible]	[illegible]
Commercial cafeterias	[illegible]	[illegible]	[illegible]	[illegible]
Social caterers	[illegible]	[illegible]	[illegible]	[illegible]
Ice cream, frozen custard stands	[illegible]	[illegible]	[illegible]	[illegible]
Bars and taverns	[illegible]	[illegible]	[illegible]	[illegible]
Total eating & drinking places	[illegible]	[illegible]	[illegible]	[illegible]
Institutional Feeding Group	[illegible]	[illegible]	[illegible]	[illegible]
Military Feeding Group	[illegible]	[illegible]	[illegible]	[illegible]
Total industry sales	**$164,598,168**	**$174,282,428**	**5.9%**	**2.1%**

Highlights of industry performance in 1985:

- The quick service segment posted consistent traffic gains in 1985. Customer counts were up 3.7 percent in the winter, 2.5 percent in the spring and jumped a resounding 6.7 percent in the summer.
- Midscale restaurants posted traffic declines in the first three quarters of 1985, compared with the same quarters last year. Traffic was down 4.1 percent in the winter and an even lower 7.6 percent in the spring. However, summer quarter traffic counts were down only 0.9 percent, thanks to good business at midscale, family style, sandwich and Mexican restaurants.
- Upscale restaurant traffic was up a slight 0.7 percent in the winter but declined 4.4 percent in the spring. Traffic fell 0.2 percent in the summer months.

Foodservice industry sales are now expected to reach $174.3 billion in 1985, an increase of 5.9 percent in current dollars and 2.1 percent in constant dollars, according to NRA's revised forecast. Sales for the **Commercial Feeding Group** are now projected to total $152.1 billion, up 6.4 percent from 1984 sales of $143.0 billion. In terms of real growth, this is a 2.5 percent gain. The **Institutional Feeding Group** should post sales of $21.3 billion, a 2.3 percent increase. **Military Feeding Group** sales should reach $876 million, up 6.8 percent from sales of $820 million recorded in 1984.

Eating place sales should climb 6.7 percent in 1985 to $111.5 billion. In real dollars, sales should advance 2.8 percent. **Restaurant and lunchroom** sales are now expected to reach $58.4 billion, up 6.0 percent from 1984. The increase in real dollars is 2.1 percent. Sales for **limited menu** (fast food) establishments are projected to reach $47.1 billion, a hefty 7.8 percent gain. Real sales, after adjusting for inflation, should advance 3.9 percent.

NRA now expects menu prices to rise at a more moderate 3.9 percent in 1985. More modest advances in food prices and overhead costs have helped keep menu price inflation down in 1985.

CONSUMER DINING POLL

Consumers satisfied with frequency of eating out

Consumers' dining out frequency is a major factor affecting customer traffic counts. Did your patrons dine out as frequently as they would like in 1985? What is your potential market in 1986? Find out in this report.

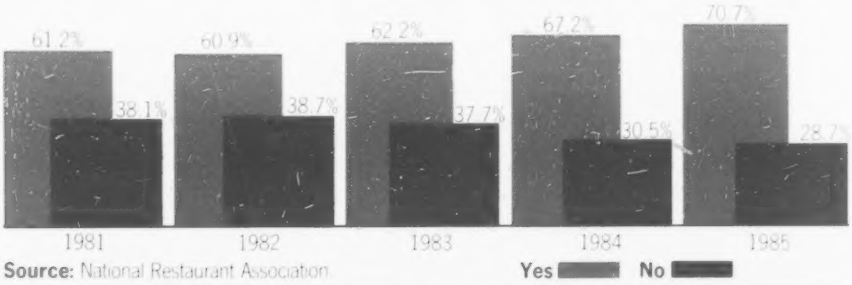
The overall health of the economy, rising consumer incomes and increasing consumer confidence have all had a positive effect on the public's ability to eat out. This conclusion is based on results from a survey conducted each September by the Gallup Organization for the National Restaurant Association. As the economy has improved over the past several years, consumers have become more satisfied with their frequency of dining away from home. NRA's satisfaction index now stands at 70.7 percent, and this means that on a weekly basis seven out of 10 consumers report they are eating out as often as they would like.

This 70.7 percent positive response is the highest level reached during the five years that the National Restaurant Association has been conducting this survey. It is approximately 10 percentage points greater than the level recorded during the recession years of 1981 and 1982 and substantially above the 67.2 percent response in the 1984 survey.

Increased satisfaction with eating out frequency is most noticeable in several demographic groups which are typically considered having the most likely individuals to curtail eating out when times get bad. Those with the largest jump in satisfaction between 1984 and 1985 include:

- People who eat out less than once a week (64.7 percent versus 72.2 percent)

On a weekly basis, are you eating out as often as you would like?



Source: National Restaurant Association

Percent satisfied with frequency of dining out occasions by income

Year	Under $15,000	$15,000–$19,999	$20,000–$29,999	$30,000 and over
1981	53.6%	57.2%	62.4%	73.3%
1982	50.0	61.1	56.6	64.7
1983	45.8	67.7	61.8	71.6
1984	57.2	53.3	68.4	79.7
1985	67.1	61.8	65.2	78.9

Source: National Restaurant Association

Percent of women satisfied with frequency of dining out

Year	Employed full time	Employed part time	Not employed
1981	59.2%	44.5%	56.0%
1982	63.9	68.4	42.8
1983	60.0	50.0	49.5
1984	63.9	60.7	69.0
1985	67.4	59.3	65.8

Source: National Restaurant Association

Desired increase in weekly visits by restaurant type

Demographic group	Fast food	Family style	Upscale
Sex			
Male	2.3	2.0	2.3
Female	2.6	2.0	2.0
Age			
18–24	2.8	2.1	3.4
25–34	2.6	2.1	1.8
35–49	2.8	2.1	2.2
50–64	1.6	1.7	1.5
65 +	2.3	2.2	1.9
Marital status			
Married	2.2	1.8	2.0
Not married	3.1	2.5	2.4
Income			
$30,000 and over	2.6	1.5	2.4
$20,000–$29,999	2.2	2.0	1.9
$15,000–$19,999	2.8	2.1	2.3
Under $15,000	2.5	2.3	2.0
Female Employment			
Full time	3.3	2.2	2.3
Part time	2.8	2.5	2.4
Not employed	1.7	1.5	1.6
Number of times eat out per week			
None	2.0	2.1	1.9
1	2.4	1.7	2.0
2 to 3	2.7	2.5	2.6
4 or more	3.5	2.7	2.1
Total respondents	2.5	2.0	2.1

Note: Average desired increases are not additive because respondents were queried about each restaurant type independently.

Source: National Restaurant Association

- Households with five or more persons (54.7 percent versus 65.4 percent)
- Households with annual incomes under $15,000 (59.0 percent versus 65.8 percent)
- Singles (67.0 percent versus 74.9 percent)
- Midwesterners (64.7 percent versus 72.2 percent)
- Individuals 65 and over (70.6 percent versus 77.8 percent) and
- Households where the female head is not employed outside the home (59.0 percent versus 65.8 percent).

However, some very important demographic segments reported a slightly lower satisfaction index in 1985 than in 1984. These include households with annual incomes over $30,000 (79.7 percent versus 75.9 percent), households with annual incomes between $20,000 and $29,999 (68.4 percent versus 65.2 percent) and households where the wife or mother works full time (68.9 percent versus 67.4 percent). These households have increased their purchases of large durable goods purchases this year, and this has increased their debt load. As a result, they may feel they have less discretionary income to spend on entertainment and restaurant meals.

Many want more meals at fast food places . . .

Fewer than three out of 10 consumers surveyed (28.7 percent) reported they were not eating out as often as they would like. This is down from 30.5 percent in 1984 and a considerable improvement over the 38.1 percent recorded in 1981.

NRA also asked those who said they were not eating out often enough to specify how many more times a week they would like to eat at a fast food, family style and upscale restaurant.

The highest mean number of desired increased visits was reported with respect to fast food outlets—2.5 more times per week versus 2.1 times for upscale restaurants and 2.0 times for family style establishments. This would seem to indicate that the consumer would like to eat more "necessary" meals away from home. NRA research shows that the reasons for eating at fast food restaurants are likely to be convenience and lack of time as opposed to more discretionary reasons, such as celebrating an event or having a social evening out with friends.

Interestingly, the number of desired visits to quick service outlets increases with the overall frequency of eating out. That is, the mean number of desired visits to fast food restaurants among those who do not eat out in an average week (2.0) or just once a week (2.4) is noticeably lower than that of diners who eat out two or three times a week (2.7) and those who eat out four or more times (3.5).

Sallie Adams
Susan Adelman
Bette Host
Claire Regan

HOW THE NRA FORECAST WAS PREPARED

NRA's initial projections for 1986, revised projections for 1985 and revised estimates for 1983 are published here. Comparable historical sales data encompassing the entire period from 1970 through 1985 are being prepared and will be published in a new *Foodservice Sales Panorama* in early 1986.

NRA's annual industry forecast for 1986 includes both nominal and real percent changes in sales for all industry sectors. Real growth is calculated separately for each market segment. In the case of eating places, the projected percent increase in menu prices is subtracted from the percent increase in sales. For drinking places, it is necessary to make a special estimate of the inflation factor, which is weighted more heavily toward alcoholic beverages.

For other industry sectors, such as colleges and universities where expenses are largely determined by food costs, a modification of the Producer Price Index for food is used. Modifications to this index are based on historical patterns for each industry sector. The food cost component thus constitutes the base percent increase, which is adjusted to reflect population changes and other pertinent factors, such as labor and overhead costs.

To arrive at real 1986 sales figures for the total foodservice industry as well as for the Commercial and Institutional Groups, current 1985 sales were multiplied by the respective 1986 real growth factors. The real sales figures for each of these sectors were added and compared with 1985 sales to obtain overall real growth for the industry and the two major segments.

A word of caution . . .

Sales projections are based on the best data available in October 1985. If the outlook for general economic conditions or the food situation changes significantly in the coming year, NRA's projections will require adjustment. In addition, the performance of individual companies or sales in local market areas may differ substantially from the U.S. outlook.

Editor's Note: Questions concerning this report or requests for additional copies should be directed to the National Restaurant Association, Research Department, 311 First Street, N.W., Washington, DC 20001; (202) 638-6100 or (800) 424-5156.

Supermarkets Offer Half-baked Delicacies

Restaurants are not the only ones making a play for the gourmet takeout market. Here is a look at the way supermarkets are trying to top the scales in their favor.

by Ellen Brown

Beef Wellington, veal paupettes, chicken breasts in phyllo dough and shish kebabs of marinated lamb sound like the menu of a fine restaurant. But now these foods, among many others, are showing up in supermarket meat cases next to ground chuck and pork chops.

They are part of a growing trend: Supermarkets across the USA are offering semiprepared foods, raw or partially cooked options that require more attention than popping a frozen entree into the oven but less skill than making the dish from scratch.

The new category of foods combines our desire for more flavorful and interesting foods with a modern lifestyle that values time as much as money.

In some ways, the trend started in the mid-70s with ready-to-bake fresh pizzas in the deli cases; now it extends to freshly made sandwiches in convenience stores.

"We call it 'step cooking' since we're removing many of the time-consuming steps previously done by cooks and telling them how to do what's left," says Ann Brody, food coordinator of the trendsetting Someplace Special Giant Gourmet in McLean, VA, part of the Giant supermarket chain, based in the Washington, DC, area.

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> " 'Supermarkets of the 70s took all the fun out of eating by not presenting enough options, so people started eating out more. We're now trying to combat the flow of dollars spent eating away from home by making eating appetizing meals possible at a lower cost than restaurants.' "

"They can still personalize the dish in their own way, adding an herb or sauce to suit their own tastes, but they know that within 30 minutes they will have fabulous fresh food on the table," she says.

Dishes such as sesame chicken ($5 per pound) and veal cordon bleu ($10 per pound) are popular with Giant's customers, and the step-removing philosophy extends to selling stocks to reduce time needed to make soup and sauces.

Giant, which opened Someplace Special in 1982 and is adding semiprepared foods to other stores in the chain, is not alone:

- King Soopers, a chain of 63 supermarkets in the Denver, CO, area, replaced meat cutters with chefs at a half-dozen stores in 1984 and plans to continue the transformation this year.
- King's in New Jersey (an unrelated chain) has hired noted restaurant consultant Joe Baum to redesign their stores and train personnel to stock the cases with semiprepared foods.
- The Irvine Ranch Farmer's Market in Beverly Hills, CA, draws celebrities, such as Charlton Heston and Dinah Shore, to the counter selling stuffed game hens ($4.50) and teriyaki steaks ($5).
- Mack's Market in the redeveloped area of Baton Rouge, LA, extends the concept to partially baked breads and crawfish stuffing for the bayou fishermen's daily catches.
- And Kroger's, the USA's second largest supermarket chain (with 1,300 stores in 31 states), offers cooked pork and beef roasts to be finished at home in a microwave oven. These options complement the stuffed shrimp and partially baked lobsters offered in the chain's 400 seafood shops.

"We see a great future in simplifying fresh items that traditionally take advanced cooking skills, preparation time or slow cooking," says Audrey McCafferty, manager of Kroger's corporate news. "With more two-earner families, there's no time—even with microwave ovens—to prepare something from scratch, but people can get awfully tired of steaks and chops."

It's the appeal of the fresh ingredients that draws customers, such as Diane Sappenfield, a former hotel public relations director and now a graduate student in business, to the Giant Gourmet.

"This food still gives me a sense of integrity," Sappenfield says. "I don't trust frozen food because I don't know what's been added, and the fact that this is fresh means it's more natural."

Her feelings are shared by Linda Berliner, a fellow shopper: "With these dishes I never get stuck in any kind of rut, and I use them for entertaining and will fill out the meal with dishes from scratch."

> ". . . about half of those buying semi-prepared foods would have gone to the freezer section for entrees a few years ago, and the remainder would have been dining on simpler foods or going out to a restaurant."

Berliner keeps stock in her freezer at all times and uses vegetables cut up as part of supermarket salad bars to save preparation time for stir-fried dishes.

Freshness is one key element. Shoppers also look for:

- **Variety.** "There's a movement away from steaks and chops to more international flavors, and we make it possible to have these without having to buy all the specialized ingredients you'd need to do it at home," says Mitch Darin, general manager of City Market at Century Center in Chicago.

He says that for the occasional cook, the few extra cents per pound for already marinated shish kebabs is more than offset by the cost of stocking up on all the ingredients to prepare a home marinade.

- **Food value.** "Supermarkets of the '70s took all the fun out of eating by not presenting enough options, so people started eating out more. We're now trying to combat the flow of dollars spent eating away from home by making eating appetizing meals possible at a lower cost than restaurants," says Bill Bogges executive vice president for King Soopers.

For example, the eight-ounce individual Beef Wellington from City Market for $10 costs about 50 percent less than a comparable restaurant serving.

"There's no waste with these foods, and most of them are sold in portions rather than by the pound, since people today don't want leftovers," Brody says. "They want to eat at home tonight, and that's all they have to buy. People who are not involved with cooking don't have the extensive pantries we did years ago, but with the general elevation in taste, they want flavor at every meal."

- **Service.** Although semiprepared foods are a new component of the supermarket scene, they reflect a shift back to old-fashioned personalized service, says New York food consultant Clark Wolfe. "My grandmother remembers when butchers were real people, not faceless gnomes who put plastic trays in a refrigerator.

"The key to the success of this service is getting real cooking people into the current deli kitchens and training the present staff at a professional school to redirect their thinking."

His guess is that about half of those buying semiprepared foods would have gone to the freezer section for entrees a few years ago, and the remainder would have been dining on simpler foods or going out to a restaurant.

"While even advanced cooks I know are buying these foods to save time, I see them as a whole new step in the evolution of the supermarket," Wolfe says. "At the same time that frozen food companies are trying to woo customers with gourmet options to the TV dinner, supermarkets are taking a cue from their competition and offering flavor with freshness." ❏

Editor's note: *Soup and salad bars are another way supermarkets are wooing consumers. For an in-depth look at salad bars and how they are flourishing in restaurants, see the February 1986 issue of the* **NRA NEWS**.

Planning Ahead for Long-Term Profit

Although the tendency is to regard strategic planning as a function only of large corporations, no operation is too small to benefit from a plan.

by Anne Papa

After a lifelong career in the appliance business, David Leatherby decided to open an old-fashioned ice cream parlor in his hometown of Sacramento, CA, so he could "retire, settle down, spend more time with my family." What he did not anticipate was that Leatherby's Family Creamery, opened in 1982, would be so successful. A year after he opened, Leatherby was receiving a dozen calls daily from investors interested in expanding and/or franchising the concept.

"I realized that I couldn't run my business on a day-to-day basis," Leatherby recalls. "I had to look beyond daily, weekly or even monthly calculations. I needed a long-term plan." So Leatherby sat down with his key employees, accountants and attorneys, and together they devised a five-year plan for the company. Today, there are 25 Leatherby's Family Creameries (average 175 seats) in California, Utah, Arizona, Nevada and Florida. Seventy-five more units are slated to open within the next five years.

Why plan ahead? . . .

Although expansion is one good reason to plan ahead, there are other reasons as well from employee motivation to concept longevity.

"The chief aim of strategic planning is not to make immediate sales but to build and maintain a strong and spreading consumer base for your restaurant," says Bill Dietrich, president of Retail Promotions Advisors, a Lubbock, TX-based consulting firm that specializes in strategic planning.

"Strategic planning is designed to (1) define long-term business growth and profit objectives in an uncertain environment, (2) establish the fundamental character of the restaurant business in term of industry segments served, customer focus and market position and (3) identify broad programs and set priorities for allocating manpower and capital resources.

"Operating your business without a strategic plan is like getting into your car without knowing where you are going," he adds.

The primary value of a written, long-term plan is that it puts everyone on the same road map. It helps establish strategies for effective and efficient future allocation of resources.

Within any company, large or small, the establishment of a written long-term plan disciplines the staff to think ahead and gives them an incentive to carry it through.

At Edward's Steak Houses, two Victorian dinner houses (average 145 seats) in the Los Angeles, CA, area, a long-term plan was developed just 18 months ago—even though the company has been in business 40 years. Company president Ken Rausch says that the plan was developed primarily for his employees. "My father, who began this business, is in the process of turning it over to me," he explains. "So in the midst of this transition we wanted to demonstrate to our employees that the stability of the company won't change." According to Rausch, a written plan enables him to show employees exactly where the business will be—and exactly where *they* could be—five or 10 years from now.

The step-by-step plan . . .

Although terminologies may differ, many experts agree that a model long-term plan can be broken down into four fundamental parts: research, goal setting, tactics/strategies and measures/results. But before any of these can be developed, it first must be determined *who* will be charting the future course of an operation.

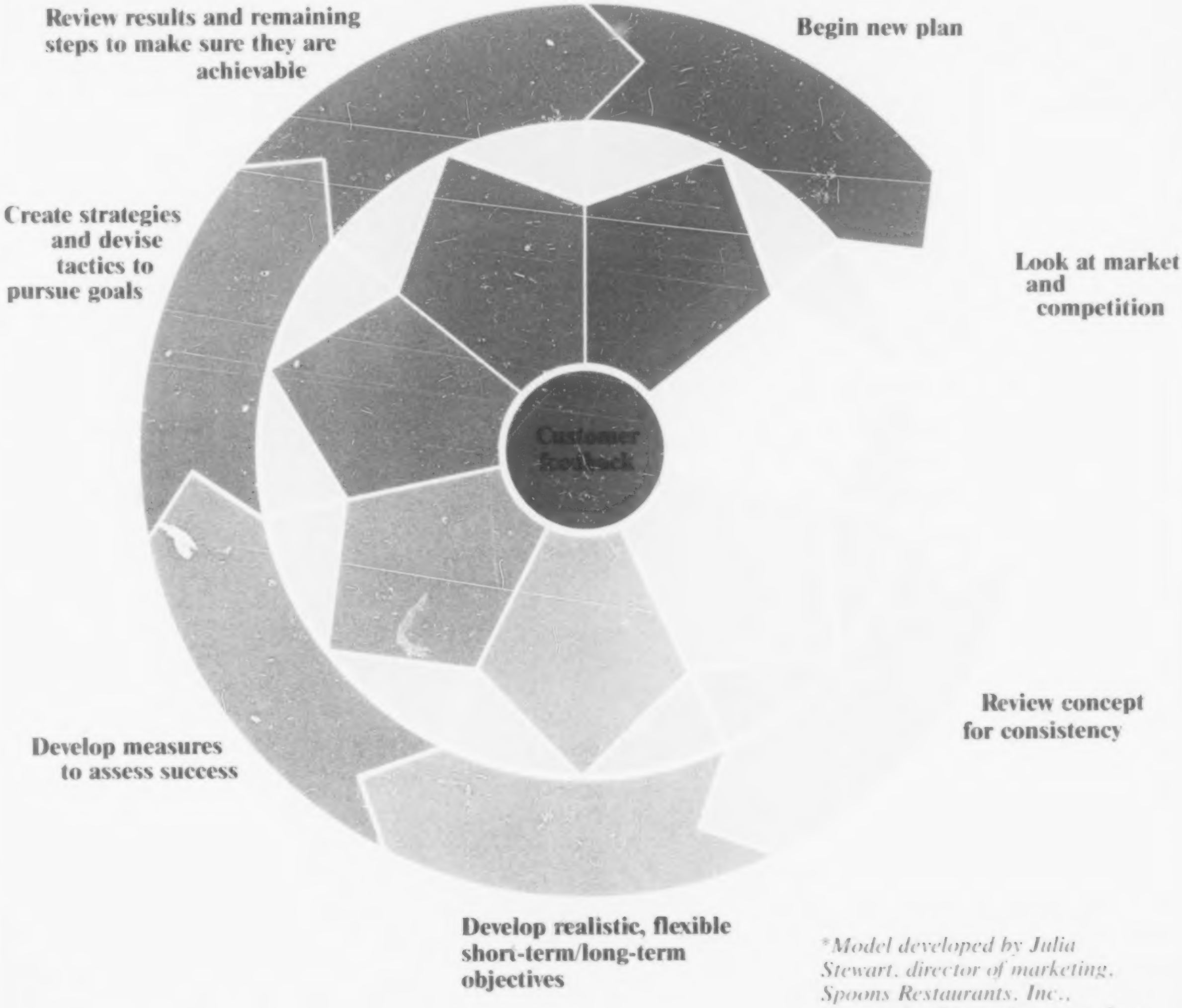
The planning committee. An ideal plan involves all components of a restaurant's operations. A planning committee is often the best approach. According to Dietrich, such a committee must include on-site operations staff, financial staff, marketing staff and personnel staff. This cross-section of representatives means that every major function of an operation will be considered in the plan's development. Also, these functions are generally interdependent: A marketing plan must take budget constraints into consideration while accurate profit projections cannot be reached without salary estimates.

Of course, in a small operation one or two people may be in charge of all four components. One or two planners can be perfectly effective in these cases as long as all components are considered in the plan.

Outside consultants can also contribute greatly to a planning committee: from research to actual setup.

Finally, the committee meeting itself should be held away from the operation or office, far from ringing telephones and other distractions. For two days each year the 12 officers of Friendly's Ice Cream Corporation, headquartered in Wilbraham, MA, retreat to a nearby hotel to plan the future of the company's 750 units. "This isn't playtime," says NRA Director John F. Cauley, Jr., president and chief executive officer of Friendly's. "We don't bring our golf clubs with us. Because we have sweated it out together, we are all 100 percent committed to the plan."

Strategic planning steps*


Review results and remaining steps to make sure they are achievable
Begin new plan
Create strategies and devise tactics to pursue goals
Look at market and competition
Customer feedback
Review concept for consistency
Develop measures to assess success
Develop realistic, flexible short-term/long-term objectives

**Model developed by Julia Stewart, director of marketing, Spoons Restaurants, Inc., Sunnyvale, CA; and presented at the 1985 NRA National Conference on Marketing, Advertising and Promotions held in Chicago, IL.*

Research. Before a committee can begin to hammer out a long-term plan, preliminary research must be done to evaluate an operation's position in the marketplace. In other words, you cannot figure out where you are *going* until you know where you *are*.

NRA Research Manager Bette Hoyt recommends that operators research both their internal and external environments before developing a plan. "First, evaluate your company's history and performance," she advises, "and then identify outside competition and trends that may have an impact in the years ahead."

Basically, internal research consists of operational information used in your restaurant to keep track of sales and profits. It includes measuring sales trends, customer counts and preferences, demographics, popularity of menu items and rate of expansion. These can be tracked formally through in-house comment cards, direct mail surveys and daily sales tracking. Or research can be conducted less formally. Ken Rausch of Edward's Steak Houses says he found out about his customers' preferences simply by walking the floor and talking to them. "I found out a lot that way," he says. "For instance, customers kept telling me the restaurant needed more light. So we knew to incorporate some remodeling into our plan."

External research, on the other hand, consists of evaluating situations in your trading area (often within a five-mile radius of your location) that have and/or will affect sales. Competition, demographics, local and national economic trends and social changes are some examples. Any government regulations that might affect business should also be considered.

Tulsa, OK-based Ken's Restaurant Systems owns or franchises 270 pizza establishments in Oklahoma, Texas and Arkansas. Ken's operates three concepts: Ken's Pizza (casual, 100 seats), Mazzio's Pizza (upscale, 125 seats) and Scooter's Pizza Delivery. Before each concept was developed, the pizza business was researched extensively with a special focus on the Midwest region. Now before any unit is opened, the company examines the economics and competition in each expansion area. Comparative taste tests also are conducted. According to marketing director Greg Lippert, more than 200 pages of preliminary research are completed before any expansion area is seriously considered.

Goal setting. Once enough research has been accumulated—the amount varies from company to company—it is time to begin the process of developing a long-term plan. "How best to locate, serve, appeal to and fulfill the wants of the eat-out customer becomes the underlying driving force," says Dietrich. The key questions to ask are, "What is to be accomplished?" "How long will it take?"

At first, it is best to work with broad objectives. Set up a time frame—usually three, five or 10 years. Then identify what should be accomplished during that period. Once overall goals are established, go back and fill in the short-term objectives which will enable you to meet these goals.

Particularly if a company is new to strategic planning, the task does not seem so ominous if approached in general terms. Says John Cauley of Friendly's, "If you set too many initial goals, your plan seems unworkable and collects dust on the shelf. That is why our first plan was relatively simple. You don't need a Cadillac if you can build a Model T that works."

One company that has certainly built a "workable Model T" is Big 4 Restaurants, Inc., Phoenix, AZ, which owns or co-owns Oscar Taylor's (3 units, 310 seats), Lunt Ave. Marble Club (6 units, 150 seats), Pop's (1 unit, 240 seats), The American Grill (1 units, 150 seats), Ed Debevic's (2 units, 350 seats), LoPerchio's (1 unit, 240 seats) and Cicero's (1 unit, 120 seats). Although Big 4 is constantly approached with expansion opportunities because of its original concepts, the company has developed a five-year plan that sets a moderate, careful pace. "Our goal is to expand, but only into carefully selected markets," explains Terry Cera, public relations director. She underscores the importance of setting attainable goals.

Strategies/tactics. The next step in the planning process is the development of strategies and tactics. Strategies are the overall methods by which goals will be reached while tactics are day-to-day programs created by you to accomplish your objectives. Be sure to identify costs for each function and develop a budget.

"Brainstorming among committee members is very helpful at this stage," recommends Dietrich. "Of course, when you are laying out your marketing plan for the next six months, you will defer to the expertise of your marketing director. But you never know what ideas your financial person may have or your operations person." Strategies and tactics should be as detailed as possible but—again—not overwhelmingly so. Unforeseen occurrences may disrupt a marketing plan or slow down an expansion plan, so it is a good idea to allow some flexibility for adjustment.

At Leatherby's Family Creameries, the goal of the five-year plan is expansion—75 new units by 1990. But the plan's strategy centers around employees. Specifically, six management positions are considered essential in each new store. So the rate of expansion is contingent on how quickly these key employees can be recruited, trained and put to work. Meanwhile, the plan's tactics relate to the labor market in specific areas. For instance, before a recent unit was opened in Clearwater Beach, FL, the town was evaluated on the basis of its qualified labor pool.

Measures/results. Finally, the most vital aspect of a long-term strategic plan is that it is constantly subject to change. No matter how many years a plan is designed to cover, it should regularly be measured, re-evaluated and updated. Constant measurement of a plan's progress provides an operator with results that can then be used to make the plan more realistic and more successful.

Although many planners review their goals quarterly, others meet annually. And that can be enough. At one annual meeting, for example, Ken's Restaurant Systems identified two suitable concepts for expansion. As a result, the company has redirected its efforts toward active franchising of Mazzio's Pizza and Scooter's Pizza Delivery.

In sum . . .

Unlike some functions which are more practical for large corporations than small operations or vice versa, long-term strategic planning is for everyone. From the big company looking to acquire a new chain of restaurants to the single-unit operator looking to remain current with his restaurant concept, long-term planning is the key to long-term profit. ❑

How Changes in Your Cost Structure Affect Your Profits

by Brian Lane

One of the chief responsibilities of any small business owner is to establish a primary focus or direction for that business. This direction or focus must clearly identify the goals which one strives to attain. In a dynamic environment like the restaurant industry, a company's goals can become blurred and seemingly unattainable unless there is a plan which establishes a basic systematic program designed to conduct this mission.

Financial plans are required for a business at any stage in its life cycle. Whether it is in the feasibility phase or in the maturation phase, planning is critical to future success. A common misperception in the business community is the use of a feasibility study or a pro forma estimate as a plan. A pro forma is a projection which identifies what an actual statement is expected to look like, provided that certain assumptions are realized. A plan, on the other hand, is a strategy for achieving your assumptions.

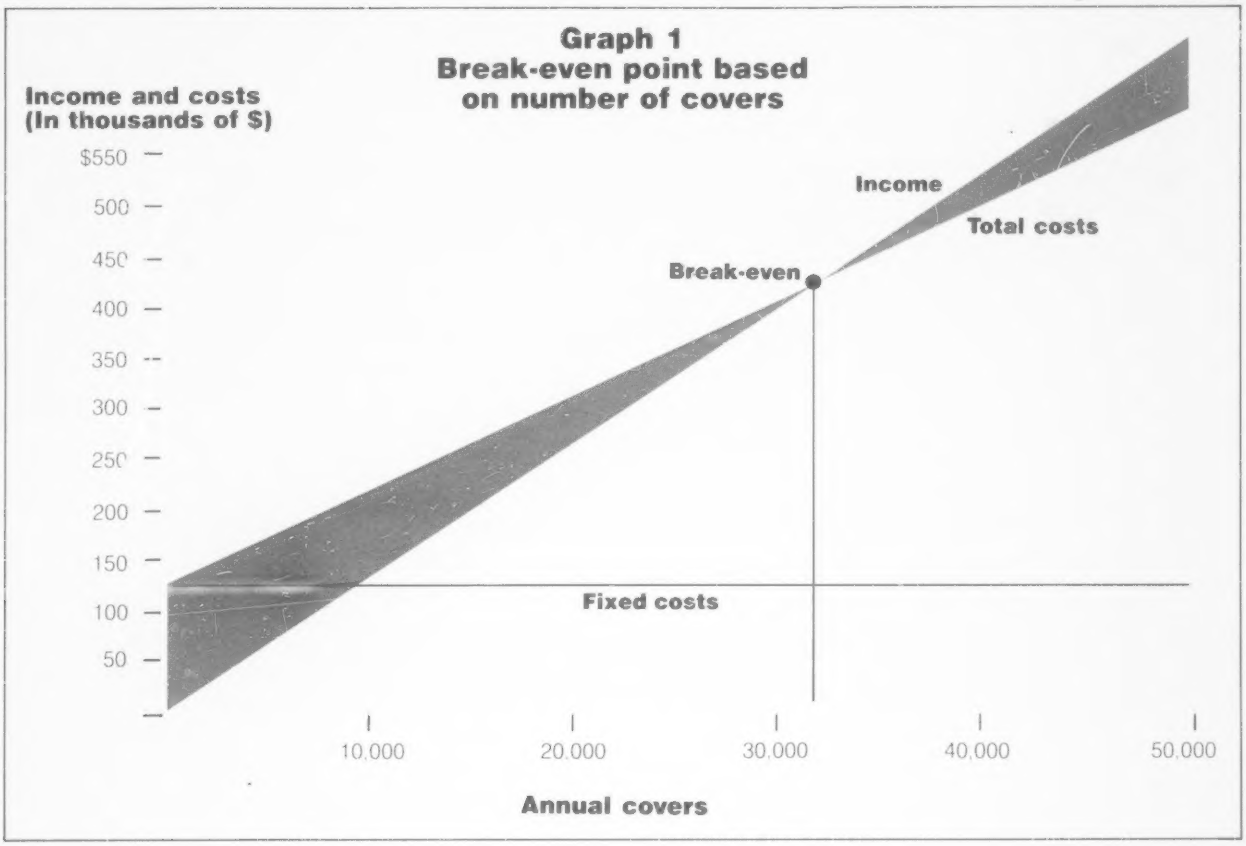
Typically, most feasibility studies, pro forma estimates and, in general, most budgeting processes begin with an estimate of sales. The fact is that sales are dependent on check averages, customer counts, number of operating days and assumptions on cyclical trends. Items such as check average and customer counts are dependent upon certain goals and objectives which need to be stated in your strategic plan—for example, type of menu and prices. You can establish these items up front if you wish, but they will be limited in their achievability by your fixed and variable cost structure.

A more appropriate starting point, therefore, would be to identify your fixed and variable costs in order to determine appropriate goals and objectives for your business.

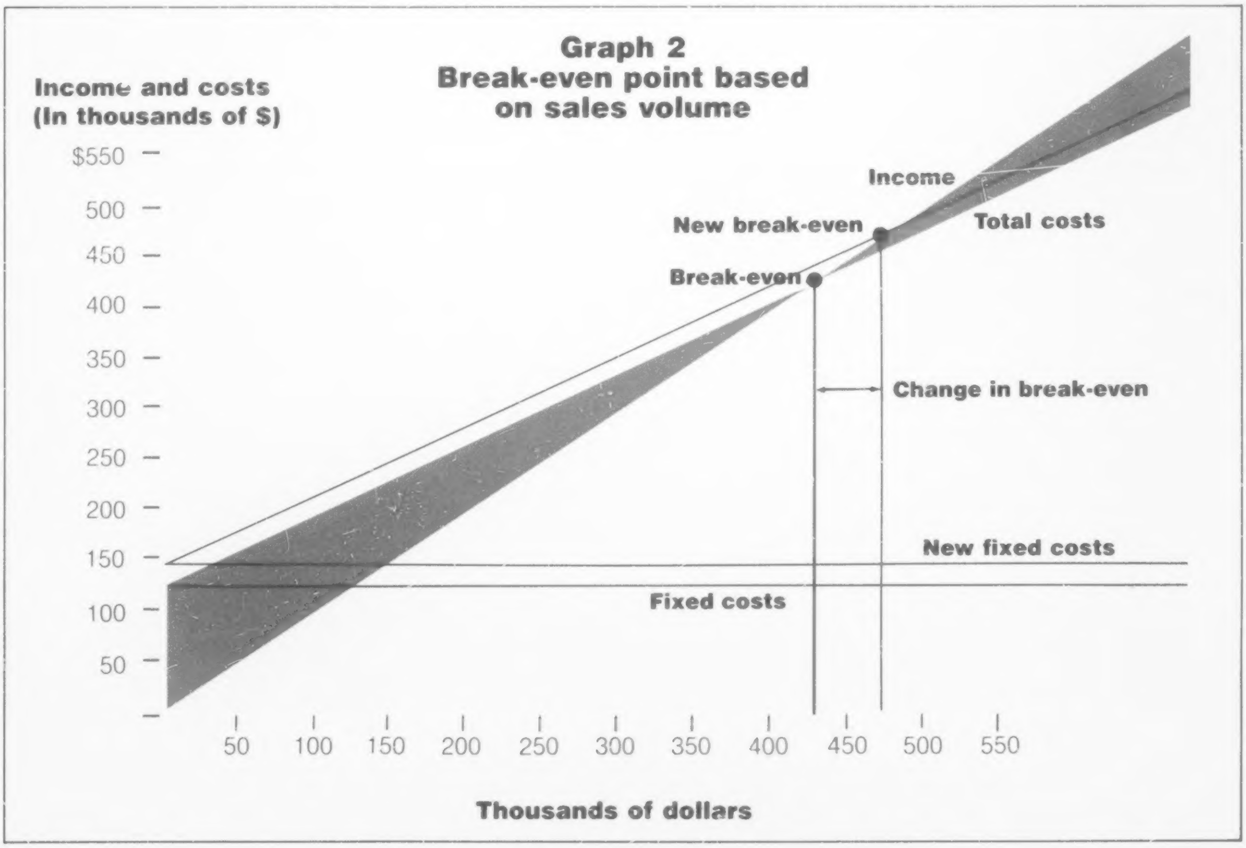
Break-even analysis

Many strategic plans are based on what is called a "snapshot" approach, which illustrates a business's break-even point. Break-even analysis is a valuable tool because it graphically illustrates a firm's expected cost structure. The break-even point is the fulcrum which any business must balance upon, with profitability lying on one side while operating loss looms on the other.

Brian D. Lane is a business consultant in the Washington, DC, office of Cini-Little Associates, Inc., a comprehensive consulting service to the foodservice and lodging industries.



Graph 1
Break-even point based on number of covers



Graph 2
Break-even point based on sales volume

Chart 1
How changes in sales and variable costs affect profit

Annual profits when fixed costs are **$125,000** per year
Profits = (1-variable cost % × sales − fixed cost)

2% = Variable A (variable costs)
10% = Variable B (sales)

Based on break-even point: profit and loss basis

Variable Costs

Sales	**62%**	**64%**	**66%**	**68%**	**70%**	**72%**	**74%**	**76%**	**78%**
$105,000	(85,100)	(87,200)	(89,300)	(91,400)	(93,500)	(95,600)	(97,700)	(99,800)	(101,900)
$157,500	(65,150)	(68,300)	(71,450)	(74,600)	(77,750)	(80,900)	(84,050)	(87,200)	(90,350)
$210,000	(45,200)	(49,400)	(53,600)	(57,800)	(62,000)	(66,200)	(70,400)	(74,600)	(78,800)
$262,500	(25,250)	(30,500)	(35,750)	(41,000)	(46,250)	(51,500)	(56,750)	(62,000)	(67,250)
$315,000	(5,300)	(11,600)	(17,900)	(24,200)	(30,500)	(36,800)	(43,100)	(49,400)	(55,700)
$367,500	14,650	7,300	(50)	(7,400)	(14,750)	(22,100)	(29,450)	(36,800)	(44,150)
$420,000	34,600	26,200	17,800	9,400	1,000	(7,400)	(15,800)	(24,200)	(32,600)
$472,500	54,550	45,100	35,650	26,200	16,750	7,300	(2,150)	(11,600)	(21,050)
$525,000	74,500	64,000	53,500	43,000	32,500	22,000	11,500	1,000	(9,500)
$577,500	94,450	82,900	71,350	59,800	48,250	36,700	25,150	13,600	2,050
$630,000	114,400	101,800	89,200	76,600	64,000	51,400	38,800	26,200	13,600
$682,500	135,350	120,700	107,050	93,400	79,750	66,100	52,450	38,800	25,150
$735,000	154,300	139,600	124,900	110,200	95,500	80,800	66,100	51,400	36,700
$787,500	174,250	158,500	142,750	127,000	111,250	95,500	79,750	64,000	48,250
$840,000	194,200	177,400	160,600	143,800	127,000	110,200	93,400	76,600	59,800
$892,500	214,150	196,300	178,450	160,600	142,750	124,900	107,050	89,200	71,350

Break-even analysis, therefore, studies the relationship among *fixed costs*, *variable costs* and *profits*. Fixed costs are those charges which do not vary with your level of sales, such as rent, salaries, lease payments and sinking funds payment. Variable costs are all costs which change as your level of sales change, such as food and beverage costs and wages. Through this analysis, you can identify that level of sales which covers all of these costs. There are a number of ways to calculate break-even, two of which are most applicable for use by restaurateurs. The first is based on units of output or covers which must be served in order to recoup costs. The other method is expressed in sales, identifying the level of volume required in order to cover costs.

(1) Number of covers. It is difficult to calculate break-even based on customer counts if you serve multiple meal periods (breakfast, lunch and dinner) because you need one fairly accurate average price per cover. This can be accomplished if you serve just lunch or just dinner or if you have sufficient historical data that allows you to assume an accurate average daily cover.

To illustrate, let's take a look at Restaurant A. Restaurant A is a small 120-seat, medium-priced establishment, which is open only for dinner. Restaurant A's check average and operating costs are as follows:

Annual fixed costs[*] . . . $125,000
Variable costs[*] . . . (.70) = $8.75
Average check. $12.50
Operating days 355

The following formula is used to calculate break-even.

$$\text{Number of covers} = \frac{\text{Fixed costs } \$}{\text{Average check} - \text{variable cost}}$$

$$33{,}333 = \frac{\$125{,}000}{\$12.50 - \$8.75}$$

This translates to 33,333 customers annually or, using 355 days of operation, 94 customers per night are required to break even at an average check of $12.50. Graph 1 depicts this restaurant's cost structure and break-even point.

(2) Sales volume. For most operators, the easiest method for calculating break-even is based on *sales volume* because this procedure requires only levels of fixed and variable costs—not average check projections. In this procedure fixed costs will be expressed in dollars and variable costs in percentages. Restaurant A will again be used to illustrate.

Fixed costs (FC) $125,000
Variable costs (VC) . . . . . 70% of sales

The formula now reads:

$$\text{Break-even sales} = \frac{FC}{1.0 - VC}$$

$$= \frac{\$125{,}000}{1.0 - .70}$$

$$= \$416{,}667$$

Graph 2 will be the same as Graph 1 except in this example the "X" axis is expressed in terms of dollars rather than covers.

These two graphs provide you with the "snapshot" of your business. What is gained through this analytical technique is not only a graphical representation of your break-even point but also an illustration of the relationship between your fixed and variable costs and how each affects prof-

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[*] *See side bar for calculation of fixed and variable costs.*

Chart 2
How changes in variable and fixed costs affect profits

$525,000 = project sales
Profits = (1-variable cost % × sales-fixed cost

2% = Variable A (variable costs)
10% = Variable B (fixed costs)

Sample fixed costs*

Fixed rent	$ 26,400
Salaries	$ 65,000
Insurance	$ 7,500
Utilities	$ 13,000
Service contracts	$ 13,100
Total	**$125,000**

Sample variable costs*

Total cost of sales	32.20%
Wages	17.10
Benefits	3.90
Direct operating expenses	5.80
Entertainment	1.30
Advertising	2.20
Administration & general	4.60
Repairs	1.50
Property tax	0.80
Other tax	0.60
Total	**70.00%**

Variable costs

Fixed costs	**62%**	**64%**	**66%**	**68%**	**70%***	**72%**	**74%**	**76%**	**78%**
($0)	199,500	189,000	178,500	168,000	157,500	147,000	136,500	126,000	115,500
$ 12,500	187,000	176,500	166,000	155,500	145,000	134,500	124,000	113,500	103,000
$ 25,000	174,500	164,000	153,500	143,000	132,500	122,000	111,500	101,000	90,500
$ 37,500	162,000	151,500	141,000	130,500	120,000	109,500	99,000	88,500	78,000
$ 50,000	149,500	139,000	128,500	118,000	107,500	97,000	86,500	76,000	65,500
$ 62,500	137,000	126,500	116,000	105,500	95,000	84,500	74,000	63,500	53,000
$ 75,000	124,500	114,000	103,500	93,000	82,500	72,000	61,500	51,000	40,500
$ 87,500	112,000	101,500	91,000	80,500	70,000	59,500	49,000	38,500	28,000
$100,000	99,500	89,000	78,500	68,000	54,500	47,000	36,500	26,000	15,500
$112,500	87,000	75,500	66,000	55,500	45,000	34,500	24,000	13,500	3,000
$125,000*	74,500	64,000	53,500	43,000	32,500	22,000	11,500	1,000	(9,500)
$137,500	62,000	51,500	41,000	30,500	20,000	9,500	(1,000)	(11,500)	(22,000)
$150,000	49,500	39,000	28,500	18,000	7,500	(3,000)	(13,500)	(24,000)	(34,500)
$162,500	37,000	26,500	16,000	5,500	(5,000)	(15,500)	(26,000)	(36,500)	(47,000)
$175,000	24,500	14,000	3,500	(7,000)	(17,500)	(28,000)	(38,500)	(49,000)	(59,500)
$187,500	12,000	1,500	(9,000)	(19,500)	(30,000)	(40,500)	(51,000)	(61,500)	(72,000)
$200,000	(500)	(11,000)	(21,500)	(32,000)	(42,500)	(53,000)	(63,500)	(74,000)	(84,500)
$212,500	(13,000)	(23,500)	(34,000)	(44,500)	(55,000)	(65,500)	(76,000)	(86,500)	(97,000)
$225,000	(25,500)	(36,000)	(46,500)	(57,000)	(67,500)	(78,000)	(88,500)	(99,000)	(109,500)
$237,500	(38,000)	(48,500)	(59,000)	(69,500)	(80,000)	(90,500)	(101,000)	(111,500)	(122,000)
$250,000	(50,500)	(61,000)	(71,500)	(82,000)	(92,500)	(103,000)	(113,500)	(124,000)	(134,500)

itability. Now, we can calculate the effects that changes in fixed and variable costs will have on break-even in order to decide what appropriate target levels should be.

Changes in fixed costs . . .

Looking back at Restaurant A, a $1 increase or decrease in the level of fixed cost will result in a $3.33 increase in the break-even point due to the slope of Restaurant A's total cost curve. This is calculated by taking your $1 increase or decrease in fixed cost and dividing it by one minus your variable cost percentage $1/(1.0 – 0.70) = $3.33. So, in other words, for each dollar increase or decrease in Restaurant A's fixed costs, break-even will increase or decrease by $3.33. This ratio (1/3.33) is very important because it is different for every firm.

You will notice by this basic formula that the higher your variable cost percentage, the more income it takes to recover fixed expenses. To illustrate, let's change Restaurant A's total variable cost percentage to 85 percent. The ratio would then be 1/6.66 or $6.66 change for every $1 increase/decrease.

Changes in variable costs . . .

What about changes in variable costs? You can use the following formula to calculate what effect a one percent increase in variable cost will have on your break-even point:

(Fixed costs)/(1 – variable cost – 0.01) – break-even sales

For Restaurant A, this equals a $14,367 increase in break-even.

Unlike the formula for fixed cost, to calculate what effect a decrease in variable cost will have, you need to only slightly modify the above formula to calculate what effect a decrease of one percent will have.

– Fixed costs/(1 – variable cost – 0.01) + break-even sales

This equals a reduction of $14,367 in break-even.

How to use the analysis . . .

Determining your fixed and variable cost structure can be invaluable for strategic planning as it can help identify key objectives. It can also be used for studying the feasibility of a project, preparing a turnaround strategy, projecting a budget for an upcoming period or determining the feasibility of changes in menu or facility design, where a cost of capital or change in variable cost percentage can be assumed.

To illustrate, let's go back to Restaurant A. The owners of Restaurant A would like to purchase a new piece of equipment that will allow them greater menu flexibility. The total cost of the equipment and installation is $12,500 if the owners decide not to finance this capital investment. Their cash payment would represent an increase in fixed costs for the year. Referring back to the previously stated formula of the change in break-even resulting from a change in fixed cost, this $12,500 increase to this year's fixed cost will result in an approximate $42,000 increase in break-even sales. Graph 2 illustrates the change in fixed costs and break-even resulting from this capital investment decision.

After looking at the effect on the break-even, the owners of Restaurant A decide that the increase in sales will not be enough to counter this increase in break-even, so they agree to finance their purchase and spread the cost out over two or three years. This example illustrates how you can use the analysis to determine whether expenditures can be absorbed by your restaurant without negative effects on profitablity. This example uses a rather small amount, but the same principles apply when analyzing a major change such as renovation or expansion.

When you are determining what levels of food and variable cost are appropriate for your business or what effects any increase or decrease may have on profitability, it can become cumbersome to continually calculate your new break-even point.

Sensitivity or "what if" analysis . . .

In order to quickly identify the results which changes in fixed and variable costs have on profitability and break-even, a method called "What If Analysis" or "Sensitivity Analysis" can be used. Calculating the change in profits given certain changes in either sales, fixed cost or variable cost can be quickly calculated by this procedure. This procedure can save time and provides you with a means of foreseeing how your profits change as your cost structure changes.

As an example, Chart 1 is a "What If" table for Restaurant A. This table calculates profit levels (numbers within) when fixed costs are frozen at $125,000 and variable costs are increased or decreased in two percent increments while sales are increased or decreased in increments of 10 percent. The underlined figures represent Restaurant A's fixed and variable costs (listed previously) and last year's sales figures. As you can see, if sales increase 10 percent and costs remain constant, profits increase by nearly $16,000.

Another valuable way to use sensitivity analysis is to freeze sales at a fixed level and see what changes in both variable and fixed costs have on profits. Chart 2 depicts how this would look.

Using the combined information from both of these tables, an operator can achieve an expanded "snapshot" of his business and can perceive what effect enviornmental changes will have on his profitability. In this way, he can chart the precise course of action which he wishes to pursue. Goals and objectives can be established which all work in harmony in order to achieve a business's ultimate mission. ❑

Calculating fixed and variable costs

Fixed costs are any costs which remain constant or do not vary with the level of sales. These costs, since they are fixed, should be expressed in dollar amounts.

Examples: Rent
Salaries
Loan payments
Service contracts
Some utilities

Variable costs are those costs which fluctuate with sales.

Examples: Food costs
Beverage costs
Hourly wages
Direct operating expenses

These costs, unlike fixed costs, must be expressed in percentage terms due to their relationship to sales.

Some cost items have the characteristics of both a fixed and a variable cost, as a portion may be fixed while another portion is dependent on sales. An example of this would be salaries and wages. Salaries do not change and should be separated as a fixed cost, while hourly labor must be calculated as a percentage of sales. Other examples would be rent, which often has fixed and variable components, or repairs and maintenance, which can be comprised of certain fixed service contracts along with unpredictable daily expenses. To handle these special cost items, separate the fixed portion and add it to your total fixed costs and calculate the remaining portion as variable cost.

Restaurant A has the following cost structure:

Fixed Costs	
Fixed rent	$26,400
Salaries	65,000
Insurance	7,500
Utilities	13,000
Service contracts	13,100
Total	**$125,000**

Variable Costs	
Total cost of sales	32.20%
Wages	17.10
Benefits	3.90
Direct operating expenses	5.80
Entertainment	1.30
Advertising	2.20
Administrative and general	4.60
Repairs	1.50
Property tax	.80
Other tax	.60
Total	**70.00%**

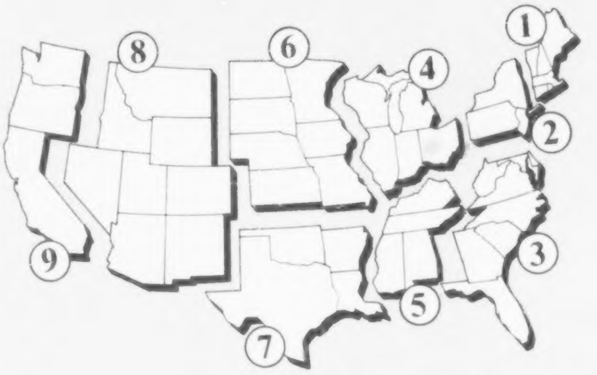
How's Business?

by Cecelia Niepold

Here are some highlights from a special survey sent to all past How's Business? *contributors.* **NRA NEWS** *asked participants to comment on their local economy, customer trends and upcoming plans.*

Obviously, economic conditions can vary widely within regions. In general, however, the Midwest and Southwest are still feeling the effects of the depressed oil and agricultural industries, while many East Coast and West Coast areas are experiencing steady growth.

Some trends appear to be occurring nationwide: an increased emphasis on light dishes, especially seafood; a growing focus on fresh ingredients; increased local competition and innovative promotions; and more interest in new menu items, particularly regional or ethnic fare, such as Cajun and Mexican.



①

NEW ENGLAND

Things seem to be looking up in New England. "We had an **excellent** season, so did the entire area," reports Chris Costen, owner of the 110-seat West Street Cafe in Bar Harbor, ME. In addition to a **new menu design** and **more seafood** dishes, the cafe is **eyeing breakfast** (a simple menu or buffet to hold down labor costs) and **small group business.**

Others, too, are expanding. The New Sadler's Ordinary, a 70-seat casual eatery in Marlborough, CT, is **catering** for small parties; and Mt. Attitash Lift Corporation, a recreation ski resort in Bartlett, NH with 200 seats, has spiced up its menu with **Mexican** dishes.

Anticipating a healthy 1986, the 100-seat Lawton's Family Restaurant in Lincoln, RI, is **relandscaping, reshingling** and **creating new signage.** Even smaller operators, such as Chris & Sonny's Cup N'Saucer, a 25-seat coffee shop in Wilmington, VT, plan to **add more seats** if the first part of 1986 stays strong.

The Lyceum, a 300-seat restaurant in Salem, MA, has found that customers are looking for **different kinds of foods during nontraditional hours.** So, it has added vegetarian dishes, hearty appetizers and even dishes with calorie counts. New marketing ideas include **retailing signature items, packaging gourmet chocolates** with the Lyceum label and **raffling off the chef** to prepare a special dinner at the winner's house.

②

MIDDLE ATLANTIC

Harold Leifer, president of Jimmie Kramer's The Peanut Bar, speaks for the region when he says that "the unemployment rate is down, and the economy is generally **good."** He has **added 75 seats** to his 145-seat restaurant and a **new kitchen.** Upcoming plans: **more desserts, signature bread, private parties and perhaps catering.** Two clouds on the horizon: **shortage of quality help** and **escalating costs of liquor liability.**

Others are **redesigning** and **redecorating:** a lighter interior for the 60-seat "Thisilldous" Eatery and Ice Cream Parlor in Belvidere, NJ, and an **atrium** and a 10-seat **conference room** for The Hornet's Nest, a 275-seat restaurant in East Hanover, NJ. The Hornet's Nest has also **increased its quality of service** (fewer patrons per server) and staff **incentive programs.**

Another operator that is **overhauling** his entire operation is Charles Jacott, owner of El Parador Cafe, a 100-seat Mexican-style restaurant in New York City. Top changes include **adding an ethnic grocery for takeout** and **opening for lunch.**

③

SOUTH ATLANTIC

The South Atlantic gets **mixed reviews.** In some parts there is expansion in response to a healthy economy; in others, sales are flat or dampened due to business slowdowns.

"People are shopping for **specials and value,**" observes Rusty Williams, general manager of the 376-seat Rusty Rudder waterfront complex in Dewey Beach, DE. "We are facing **a more sophisticated palate** with an **emphasis on lighter preparation,**" adds Robert D. Smoots, president of Eli's on East Ltd. (100-seats; Charlotte, NC).

The 120-seat Strawberry Street Cafe in Richmond, VA, is focusing on **faster service, better quality control** and **less waste.** It also has expanded its appetizer and dessert list to boost its **grazing appeal.**

Other items popular in the area include **take out, deli items** and **seafood.** Less popular are **red meats** and **alcoholic drinks.**

④

EAST NORTH CENTRAL

Business is **fair** in the East North Central states. There is a greater focus on food to offset a drop in liquor sales and to maintain a competitive edge.

The Traffic Jam and Snug (250 seats; Detroit, MI) has been busy. It has added a 10-gallon milk vat to make **cheese on premise,** a **sausage kitchen** and a **smoker.** Menus are changed daily, with **wire service news items** printed on the back.

Strang Management (three seafood restaurants, average 200 seats; Cleveland, OH) has **changed one restaurant's bar to an eating area** and has **added more food items** in other bar areas.

Other operators have **expanded their menus** to appeal to new segments. **Daily specials** are more and more common. **Take-out** has become a major emphasis at The Cookery (85 seats; Green Bay, WI). Despite lighter additions at Wolf's Bar-B-Q in Evansville, IN, however, barbecue remains tops. In fact the barbecue sauce will be **distributed nationally.**

Other ways operators are staying current include adding **delivery services.**

5

EAST SOUTH CENTRAL

Amy Kurland, owner of the 75-seat Bluebird Cafe (Nashville, TN), says business is **good** and unemployment is down. Other operators in the region give a similar report. Linda Moore, owner of the 90-seat Family Fare Restaurant in Dry Ridge, KY, says she has noticed **more older people** and **couples** dining out. She also reports that **delivery service has tripled.**

Cajun cooking is a favorite in the region. Also popular are **grazing** foods, **desserts, broiled entrees** and **salad bars. Catfish** also has a loyal following: Cock of the Walk, Inc., (225 seats; Natchez, MS) which specializes in the dish, is constructing four more units.

Variety continues to be important. Some operators, such as Judy Martin, owner of the 50-seat Vintage Year in Montgomery, AL, has made her reputation on the five or six menu items that change constantly. To introduce unfamiliar entrees, she offers **complimentary appetizer-size samples.**

6

WEST NORTH CENTRAL

Business in the West North Central region is generally **down.** "The local economy is hard-pressed. We are right in the center of the agricultural region," explains Helen Judd, owner of the 250-seat Hays House in Canal Grove, KS. Increased **tourism** has helped Judd and a number of other operators. Because most of the travelers are senior citizens, Judd has added **smaller-sized entrees** to the menu. She has also noticed more **local breakfast traffic.**

Mustards Restaurants (three barbecue eateries, average 60 seats) in Des Moines, IA, believes customers are looking for **value.** That is why owner Ron Smith has introduced **tableside service** and **broadened the menu** with non-barbecue items, such as **taco salads.**

The Vagabond Restaurant (315 seats; Hays, KS) is combating increased fast food competition with **more hamburger entrees** and **family night specials.** Another possible option—**joining a national franchise.**

Promotions are other popular methods for generating customer interest. The Lettuce Leaf chain (11 units, average 110 seats) in St. Louis, MO, recently sponsored a creative salad-making contest.

7

WEST SOUTH CENTRAL

The depressed oil industry continues to affect much of the region. Robert Lehman believes the **slow** economy is turning people away from upscale establishments toward **gourmet burger** operations, like his 120-seat Boomerang Restaurant in Norman, OK. Other operators have also noticed that customers **want to get more for less.** All-you-can-eat salad bars, lunch buffets, lunch specials, early-bird and late-night reduced-price entrees have all helped boost business. Even though unemployment is up in New Orleans, LA, Vintage Year has **doubled its seating capacity** to 78 with some of these promotions.

Ken Koock, vice president of Green Pastures, a 350-seat stately mansion and three new Tres Amigos (average 200 seats) in Austin, TX, is tackling the slowdown with **quicker service** at lunch and **more light dishes. Breakfast,** however, continues to grow rapidly in the Mexican units.

A restaurant with a national reputation, such as the elegant Mansion on Turtle Creek (142 seats; Dallas, TX) can hold its own even in a downtown. It reports a healthy sales record, attributed to **Southwestern dishes; homemade items**, such as pasta, jams and vinegars; increased **wine sales; lighter fare** and **seafood.**

8

MOUNTAIN

Reports are **mixed** from the mountain region: Some operators are expanding while others suffer from flat or depressed sales. "We have had a beautiful year, the best in 19 years," says Cula Ekker, owner of the 80-seat Sun Glow Cafe in Bicknell, UT. She is adding a **sun room.** Much less optimistic are Vic Weese, president of Zach's Munchkins (300 seats; Denver, CO), who has cut back employees due to a **saturation** of restaurants in the local market, and Rob Ferry, manager of the Oxbow Cafe (120 seats; Bliss, ID), who has noted that people are **dining out less** due to the depressed local agricultural economy.

Whatever their circumstance, however, operators are introducing **innovative** ideas. They are **expanding menus, staying open longer,** turning to **catering,** adding **daily specials** and promoting **breakfast.**

Ed Chilleen, owner of Crazy Ed's Satisfied Frog (140 seats; Cave Creek, AZ) has gone even further. He has built two **mobile hot food trucks** with portable barbecue smokers for street corner sales and catering; and he is adding a **tortilla factory** and a **retail bakery.**

9

PACIFIC

Overall business is **up** in the Pacific states, but competition is fierce. This has led to greater **menu diversity** as well as increased **staff training.**

Customers have developed much more **sophisticated tastes,** notes Gwynn Palmer, manager of the Sound Food Restaurant and Bakery (75 seats; Vashon, WA). Catering to new demands, she features **fresh, unprocessed ingredients** and **daily specials.** Eric Sellix of Hump's Restaurant in Clatskanie, OR (250 seats), has expanded his menu with **more salads** and **poached seafood.** Because of the drop in liquor sales, he has **reduced lounge hours** and **introduced a piano bar.**

The Snoqualmie Falls Lodge (130 seats; Snoqualmie, WA) has taken a different approach to reduced liquor sales: It has increased its emphasis on wine—**training staff** and **adding to the wine list.** There are plans to perhaps **create** a Snoqualmie Falls Lodge **wine label.**

FOOD FOR THOUGHT

Follow that sombrero

The Mexican food craze has taken to the streets. North of the Border, a New York, NY-based Mexican food company, offers tacos and burritos at six pushcarts scattered around midtown Manhattan. Customers can easily spot the pushcarts amidst the sea of pretzel, potato knish and hotdog stands because of a large papier-mache sombrero atop each cart.

Company owner David Alwadish says reaction to the taco has been enthusiastic. "I'm not surprised," he adds. "I figured this is the sort of food yuppies would go for."

—*New York* magazine

Gourmet to go

Convenience is the key to grocer Jim Bildner's success. Last year he opened the first J. Bildner & Son's supermarket in Boston, offering gourmet meals to go, home delivery and plenty of personalized service. Included in the concept is a "free-standing breakfast," with freshly brewed coffee, juices and the like—so people on the run can brown-bag their breakfast on the way to work.

Bildner's market has proven so popular that more stores will be opened in Boston, New York and the Atlanta area.

—*USA TODAY*

A neighborly promotion

When a new apartment complex opened across the street from Garcia's restaurant, Greenville, SC, general manager Stuart Ruelle saw a great opportunity to increase his customer base. He and the building manager jointly hosted a "Meet Your Neighbors" party at the restaurant. Attendees received complimentary hors d'oeuvres and special bandanas to establish themselves as regular customers on return visits. After the party, any customer returning with a bandana was eligible for free drinks, free appetizers or discounts.

The "Meet Your Neighbors" party was so successful that Ruelle has hosted similar parties for other apartment complexes in town. The next step? In 1986, Ruelle plans to invite the entire town of Greenville to meet its neighbors at a festival hosted by Garcia's and held in the restaurant's parking lot.

—*Briefing*

Tres chic

Update from abroad: A whole new crop of ingredients have become chic in France. Spices, such as curry, coriander and cinnamon, are used everywhere. Virgin olive oil is taking the place of butter, and honey is edging out sugar, not just in desserts but also in meat and vegetable glazes.

Among more unusual ingredients, the French are developing a passion for blood oranges, now appearing as a main course garnish and for dessert. Their deep crimson color, say French chefs, makes a definite impression on any plate. Chefs have also stopped pureeing vegetables and are instead experimenting with sliced, coarsely grated or chopped to retain some texture.

—*Los Angeles Times*

The perfect chip?

Move over, potato chips. The California Tomato Research Institute is developing the perfect chip: tasty, nutritious and low in salt and fat. The tomato chip, still being researched, should be available soon.

Institute Director George Johannessen predicts the tomato chip will be a big hit among today's nutrition-conscious consumers. "Anyone who knows the tomato thinks of it as one of the most healthful foods," he comments, "and our tomatoes are all vine-ripened fruit prior to processing. Because of this, the opportunity to attract consumers is very great."

—*Snack Food* magazine

Gone fishin'

At Big Splash, a new restaurant in North Miami Beach, FL, customers are guaranteed seafood that is to their liking—because they choose it themselves.

Rocky Aoki, owner of Big Splash and founder of the Benihana restaurant chain, developed the unusual concept after a visit to Singapore. "In Singapore, people would spear and handle their own catch for dinner," he explains. "We don't go that far here, but we do have tanks from which customers are able to pick and choose." Before customers are seated at Big Splash, they are led to two colorful display tanks filled with fish. And once they have selected their fish, they have a choice of many international preparation styles, including Oriental, continental, French or American.

—*Big Splash*

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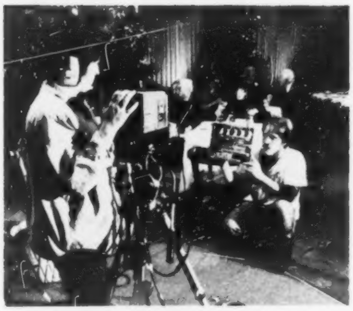

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Vol. 6 ☐ No. 1 ☐ January 1986

NRA NEWS

Restaurant
SIGNS

NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

2/25	Burlington, VT
3/10	Shreveport, LA

Dining Room Management

1/21	Springfield, VA
1/27	Orlando, FL
2/3	San Antonio, TX
2/4	Austin, TX
3/5	Springfield, MA
3/10	Grand Rapids, MI
3/11	Kansas City, MO

Kitchen Management

1/21	Fort Worth, TX
1/28	Cincinnati, OH
2/4	Springfield, VA
2/6	Atlantic City, NJ
2/27	Indianapolis, IN
3/3	Boston, MA
3/10	Edmonton, Alberta, Canada
3/11	Calgary, Alberta, Canada

People-Power and Profits

2/11	Columbia, SC
3/27	Fort Worth, TX

Tools for Training

3/4	Boston, MA

Food Production Courses

Perfecting Your Culinary Skills

1/28	Kansas City, MO
2/4	Tampa, FL
2/24	Cincinnati, OH

Simplified Baking Workshop

2/27	Portland, ME
3/11	Baltimore, MD

Soups and Sauces

1/20	Van Nuys, CA
3/3	Boston, MA
3/4	Philadelphia, PA

Foodservice Management Courses

Banquet Management

2/3	Lexington, KY
2/26	Denver, CO

Beverage Management

2/25–26	Newport Beach, CA
3/3–4	Boston, MA

Business Dynamics for Women in Foodservice

2/6	Washington, DC

Introduction to Computers in Foodservice

2/17	Raleigh, NC
3/3	Providence, RI
3/10	Newark, NJ

Creative Buffets

3/4	Boston, MA
3/10	Portland, OR
3/11	Seattle, WA
3/27	Rochester, NY

Employee Motivation

3/4	Williamsburg, VA
3/6	Gatlinburg, TN

Food Cost Management

1/20	Jacksonville, FL
1/22	Atlanta, GA
2/25	Minneapolis, MN
2/27	Cleveland, OH
3/5	Williamsburg, VA
3/21	Salt Lake City, UT

Foodservice Operators' Legal Workshop

2/4	Boston, MA
3/2	Washington, DC
3/5	San Francisco, CA
3/21	Denver, CO

Menu Development

2/26	Baltimore, MD
3/24	Tucson, AZ

Negotiating for, and Financing, Foodservice Facilities

2/6–7	San Francisco, CA
3/26–27	Fort Worth, TX

Off-Premise Catering

2/10–11	Toronto, Ontario, Canada
3/24–25	Vienna, VA

Operational Analysis

2/25–26	Madison, WI
3/25–26	Minneapolis, MN

Planning and Implementing Restaurant Marketing Strategy

1/22–23	Houston, TX
2/25–26	King of Prussia, PA
3/26–27	Portland, OR

Real Estate & Restaurant Site Selection

1/21–22	Monterey, CA
2/10–11	Chicago, IL

Restaurant Design and Facilities Planning

3/24–25	San Diego, CA

National Conferences

INFO 86: Independent Operators' National Conference

2/16–19	Orlando, FL

National Conference on Computers in Foodservice

3/16–19	Washington, DC

For more information, contact
NRA Education Programs
311 First Street, NW
Washington, DC 20001
(202) 638-6100
or (800) 424-5156

1986 Study Group Meetings

Foodservice Security Council

1/20–22	Chicago, IL

Safety Officers

1/22–24	Chicago, IL

Large Independent Operators

2/14–16	Orlando, FL

Labor Relations

2/25–26	Memphis, TN

Financial Officers

4/2–5	Lake Tahoe, NV

Tax Executives

4/2–5	Lake Tahoe, NV

Market Research

4/9–11	Atlanta, GA

Management Information Systems (MIS)

4/13–16	Lake of the Ozarks, MO

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

NRA *NEWS*

Vol. 6 No. 1 January 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to ***NRA NEWS***. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright © NRA 1986. Postmaster: send address change to ***NRA NEWS***, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

Ted Balestreri
Co-Owner
The Sardine Factory, Inc.
Monterey, California

Tax simplification bill headed to Senate

When Congress reconvenes late this month, the fate of the tax simplification plan will be in the hands of the Senate. Due to heavy lobbying on the part of President Reagan, the House passed its version of the bill just before the December recess. The House version of the bill includes a provision which would limit deductions on both business marketing meals and business travel meals to 80 percent of actual dollars spent.

NRA will use all its resources to oppose inclusion of business meal deduction limitations in the Senate version of the bill. But we need your help.

It is not at all clear whether Congress or the administration has a full appreciation of the effect the 80 percent limitation will have on our industry and the economy. I urge you to contact your senators and explain the effect this provision will have on you—both as a foodservice operator and a taxpayer.

Future of TJTC unknown

Extension of the targeted jobs tax credit (TJTC) also remains in limbo until after Congress reconvenes. Shortly before the recess both the House and Senate discarded controversial bills dealing with the deficit, which contained provisions to extend TJTC. NRA will renew its efforts to ensure the continuation of TJTC when Congress reconvenes.

Any reinstatement of TJTC is likely to be retroactive to January 1, 1986. Since the current TJTC law expires December 31, however, operators may find that state employment offices stop participating as of January 1, 1986.

Symposium scheduled on product and service liability

You should be seeing media reports later this month about a national symposium on *The Crisis in Product and Service Liability*. The liquor liability problem faced by foodservice operators is part of a general crisis in product and service liability which is affecting physicians, city and county governments, manufacturers, day care centers and others. Eventually, this crisis will affect the average consumer as higher insurance rates raise prices or cause goods and services to be withdrawn from the market.

Sponsored by Pennsylvania State University in conjunction with NRA, the symposium will take a close look at how promiscuous litigation is affecting our country. This discussion should raise public awareness of what irresponsible litigation is costing our society and publicize the need to reform tort laws, including dramshop laws, in order to reduce the number of cases brought before the courts.

Plan to attend this one-day program, Wednesday, January 29, in Washington, DC. For more information on the symposium, contact NRA's communications department.

Survey shows insurance rates double

The foodservice industry is at the forefront of this crisis as the number of third party liquor liability cases rises. A recent survey conducted for NRA by Gallup, reveals that liquor liability insurance costs have jumped 110 percent during the past year. The average cost for this kind of insurance has reached $39,500 per year.

NRA is using these figures to support the need for reasonable dramshop legislation.

New NRA "how to" book published

NRA will soon release the latest in its "how-to series," *A Restaurateur's Guide to Nutrition*. It was developed in response to the growing attention both the government and the public are giving to lighter, healthier foods. The U.S. Department of Agriculture (USDA) has just reissued its dietary guidelines and will continue to focus the public's attention on the relationship between sodium and cholesterol intake and heart disease during 1986.

The public's desire for a wider variety of light food options can no longer be regarded as a passing fad. It is a trend that will continue to grow in the year ahead.

The new manual describes types of menu items and preparations which conform to the dietary guidelines and the continued consumer interest in light fare. *A Restaurateur's Guide to Nutrition* will be available in February and can be ordered from the NRA publications department.

Send back your surveys

NRA is surveying its membership for the *1986 Restaurant Industry Operations Report*. If you receive a copy of the survey in the mail, please fill it out and return it to NRA as soon as possible. For more information see "Short Orders" in this issue.

NRA Computer Conference to be held in March

The association has finalized its educational programs for the first half of 1986. Coming up on March 16–19 in Washington, DC, is the third annual *NRA National Conference on Computers in Foodservice*. One of the most popular programs in the NRA Conference Series, *Computers in Foodservice* is both an educational forum and a mini trade show. Many of the largest computer suppliers to the foodservice industry will be on hand to demonstrate their latest equipment.

This national conference provides an excellent opportunity for foodservice operators interested in purchasing a new system or updating their present system. If you need a comprehensive orientation to computers in foodservice, this conference is a great place to start. Contact NRA's education programs department for more information.

Five new NRA seminars to be introduced in 1986

NRA is also introducing five new seminar programs this year to keep up with your needs. The diverse group of new programs includes: *Business Dynamics for Women in Foodservice*, *Foodservice Operators' Legal Workshop*, *Negotiating for and Financing Foodservice Facilities*, *Wine and the Bottom Line* and *Beverage Management*. For more information on these new programs, see the back cover of this issue of ***NRA NEWS.***

During December, 160 foodservice operators and allied suppliers joined us as members of NRA. Welcome. Your participation in NRA will make your business grow and make your association more effective in its endeavors on your behalf.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board

CONTENTS

Cover Story: Restaurant Image

Restaurant
SIGNS

When a restaurant image works, it creates that special feeling or sparkle that makes it stand apart from the crowd. Clearly communicating that image is not always easy. That is why this issue of ***NRA NEWS*** inaugurates a series of articles on restaurant design, with special pointers and tips to help operators develop and communicate a consistent, effective image.

11 Atmospheric and personality factors affect your restaurant's image.

12 How to find the design that fits your operation.

18 Debunking five design myths.

20 Exterior signs: A 24-hour invitation.

Related department: How's Business?

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Cover photograph by Gary D. Landsman
Neon by Ariane Dubois

SHORT ORDERS

NRA's Palmer leads seminar

NRA's new seminar, "Foodservice Operator's Legal Workshop," will be introduced throughout the country this year. NRA's legal counsel Robert Palmer will address dozens of legal issues that affect the foodservice business. Designed for the hands-on operator rather than the corporate lawyer, this seminar will provide you with uncomplicated answers to many of today's pressing legal issues.

Palmer's thorough, practical and spirited approach has gained him high praise in many educational programs sponsored by NRA. If you have legal foodservice questions you would like answered, plan to attend one of Palmer's seminars.

During the first half of 1986, "Foodservice Operators Legal Workshop" will be offered on

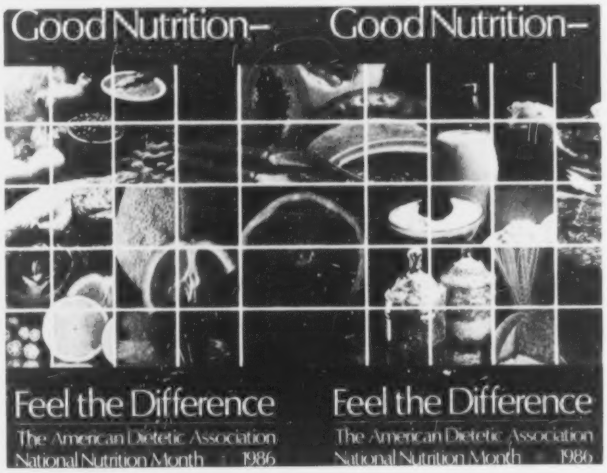
- Tuesday, February 4 in Boston, MA, co-sponsored by the Massachusetts Restaurant Association
- Sunday, March 2 in Washington, DC, co-sponsored by the Restaurant Association of Metropolitan Washington
- Wednesday, March 5 in San Francisco, CA, co-sponsored by the California Restaurant Association
- Friday, March 21 in Denver, CO, co-sponsored by the Colorado-Wyoming Restaurant Association
- Sunday, May 18 in Chicago, IL, at the NRA Show
- Tuesday, June 10 in Philadelphia, PA, co-sponsored by the Pennsylvania Restaurant Association
- Monday, June 16 in Miami, FL, co-sponsored by the Florida Restaurant Association

The fee for the course is $145 for NRA members or co-sponsoring state association members and $185 for non-members. To register, contact NRA Education Programs in Washington, DC, or the co-sponsoring state association.

Correction

September's "To Your Health" column on naturally-occurring food toxins reported that histamine, a toxin that could develop in improperly stored fish, can be inactivated by temperatures above 140°F. It has been brought to our attention that studies have shown that histamine is heat stable at temperatures as high as 212°F—the boiling point of water. Therefore, the most effective means of controlling histamine is to store fish at temperatures lower than 40°F.

March is nutrition month


Good Nutrition–
Good Nutrition–
Feel the Difference
The American Dietetic Association
National Nutrition Month 1986
Feel the Difference
The American Dietetic Association
National Nutrition Month 1986

"Good Nutrition—Feel the Difference" is the theme of this year's American Dietetic Association (ADA) National Nutrition Month, which takes place in March. The purpose of this 14th annual campaign is to emphasize the benefits of good nutrition and fitness. ADA has developed a variety of materials, including posters, table tents and a children's activity booklet, to help promote nutritional awareness. For ordering information contact: Sales Order Dept., The American Dietetic Association, P.O. Box 10960, Chicago, IL 60610; or call (312) 280-5000.

If you are interested in participating in local nutrition month activities, contact your state dietetic association. For the name and number of your local contact person, call ADA's Division of Policy Administration at (312) 280-5069.

Watch your mailbox for NRA questionnaire

NRA members should be on the lookout for their "1986 Restaurant Industry Operations" questionnaire, which is being mailed to all NRA member companies in early January. This questionnaire provides NRA with the information needed to publish its annual *Restaurant Industry Operations Report*, and all members are urged to complete the survey. The success of this project depends on your cooperation.

As a bonus, those who complete the survey and return it by February 28, 1986, will receive a complimentary copy of the full report.

If you do not receive a questionnaire or if you need additional copies, write NRA's Research Department, 311 First St., N.W., Washington, DC 20001 or call (800) 424-5156.

WASHINGTON REPORT

Interview with Rep. Jim Wright

Now in his fifth term as majority leader of the House, U.S. Rep. Jim Wright (D-TX) is one of the most respected members of Congress and is regarded by many as its most persuasive debater. Elected majority leader in a close contest with three others in 1976, Wright has been unanimously re-elected four times to this post, which is second only to the Speaker of the House. The majority leader is the chief strategist and floor spokesman for the party in control.

Wright, serving his 16th consecutive term in Congress, is the author of major legislation in the fields of foreign affairs, economic development, water conservation, education and energy.

***NRA NEWS** recently spoke to the majority leader on a range of topics.*

***NRA NEWS*: You once described the role of majority leader as part parish priest, part evangelist and part prophet. Can you elaborate on that?**

Wright: In the same vein, I have also said the majority leader is part den mother, part traveling salesman and part advance planner. In the parish priest or den mother role, he has to know his colleagues, accept their idiosyncracies and their differences, have the ability to smooth over jurisdictional and regional problems and try as best as he can to create a harmonious fellowship among the members of the House.

Once having established the legislative program and scheduled bills for consideration on the floor, he has to be an evangelist or traveling salesman. He has the responsibility to sell those bills—to convince people of the merits. Not only must he convince the members that they ought to vote for these measures, but he also must go out to the members' districts when invited and speak to local audiences about what Congress is trying to accomplish.

In the final role as prophet or advance planner, he must look down the road and prepare the members for any problems on the horizon—and, if possible, head them off before they arise.

Q: You have been in Congress for 30 years. Do you think the majority leader's job is more difficult today than it was when you first came to Congress?

A: This is a more participatory body than it was then, so in that sense the job is more difficult. In Sam Rayburn's day (Speaker of the House from 1940 to 1957), for example, there was no House Steering and Policy Committee to which he had to sell a program. One existed but in name only. For all practical purposes, Rayburn was the Steering and Policy Committee. The committee would meet once a year and pass some pious resolutions and then adjourn. Meanwhile, Rayburn would announce leadership policy. Today, you have to work with that policy committee and persuade them of your positions.

Q: What about the job of being a congressman. How has that changed?

A: For one thing, the issues are more complex. No individual member truly can be an authority on all subjects. One day you will be making judgments about our monetary system. The next day you will be making decisions on agriculture policy or foreign relations. On another day you may have to vote on what weapon systems should merit research and development funds.

Nobody can know enough about all these issues. The best you can do is to cultivate a network of acquaintances whose judgments and integrity you respect. When you have questions about a bill, you go to one of your friends on the committee that has jurisdiction over the measure and seek what counsel you can.

Q: You have spoken out on what you term the "splintering of America"—the proliferation of caucuses and interest groups. You have also criticized members who seem to favor "image" over "substance." What effect have these trends had on your job and on Congress as an institution?

A: They have made it more difficult to achieve consensus in the national interest. The only thing I can do about it as majority leader is to try to convince people of their responsiblity to the country.

The typical member sometimes becomes so obsessed with the impression the public will get from tomorrow's headlines that he is likely to forget that he is legislating not just for tomorrow but for a year or 10 years down the road. A bill passed in haste, which might be very joyously received on the spur of the moment, could be a poorly conceived piece of legislation that would not serve us well over the long haul.

One example of this comes instantly to mind. In 1981, Congress allowed itself to be stampeded into voting for a massive tax cut—the biggest cut in American history. It is now bleeding the Treasury to the tune of $135 billion a year. The tax bill was very popular at the moment it passed. However, it did not take the public very long to discover that the tax cut was excessive and that it was setting the stage for a monumental deficit.

Q: On the deficit issue, what do you think should be done to get ourselves back on the right fiscal track?

A: We have reached a point of near desperation. A mechanism to force uniform cuts across the board at a fixed percentage rate, save for those programs you specifically exempted, may be the only way to achieve a certain level of deficit reduction.

With this kind of legislation, the President's function must be ministerial, not discretionary. In other words, the President cannot be permitted to make cuts at whim in programs he dislikes, preserving those things that are his pets. By requiring that the cuts be uniform and across-the-board, Congress preserves its constitutional authority to establish the nation's spending priorities.

Q: The budget process was totally revamped just over a decade ago by the 1974 Budget Act. Some are now saying more changes are needed to make the process work. What is your assessment?

A: The process has not worked as well as we had hoped it would. It is far from a perfect instrument, but it is better than what we had before we began the current process. Prior to the 1974 Act, we had a series of 13 or 14 appropriations bills being presented at different times without any general idea of how they would fit together. It was as if we were building a house without a blueprint. We called in 14 carpenters, and said to each of them, "Just build me a room." We might end up with three kitchens and no bedrooms or five bathrooms and no dining room. So the 1974 Act has been for Congress the equivalent of the set of building plans for a house.

As far as changing the system we have now, I think tinkering with it is productive only when you decide that it is not working. The system does work. It never will work perfectly because we are imperfect creatures. Members of Congress are not an undiluted collection of saints; neither are we a group of Olympian prophets and seers of great wisdom. We are rather ordinary people. So no matter how much tinkering you do with the machinery, it is impossible to make Congress a perfect institution.

Plant closings bill rejected

A bill to require employers to give employees advance notice of a plant shutdown or mass layoff was defeated by a five-vote margin on the House floor in late November.

The bill would have required companies (including restaurants) employing 50 or more full-time workers to give 90 days advance notice of a closing. Although plant closing legislation has been introduced since 1973, this is the first version to reach a vote on the House floor.

H.R. 1616, introduced by Rep. William Ford (D-MI), traveled a rocky road before coming to a final vote. Ford was forced to pull the bill from the floor at one point after an attack was launched to remove major provisions of the bill.

The bill failed to gain a majority vote even after Ford allowed a watered-down version to be substituted for his original bill. Strong business lobbying blocked the final attempt at passage, however. Business groups labeled the bill "pro-union," saying that the bill would give unions more leverage over employers and aid in efforts to unionize workers.

NRA opposed this legislation, arguing that early notification of a possible restaurant closing could choke off sources of new financing and make going out of business even more certain.

The administration also opposed this legislation. Labor Secretary William E. Brock noted that the bill could cause more extended business failures if failing plants were forced by the legislation to delay closing.

The effort to implement a plant closing law will be stalled at least through the end of 1986. Legislators are expected to wait for the results of a commission Brock created to study ways to minimize the effects of plant closings on workers and affected communities.

DOL reviews exempt manager rules

Rules governing treatment of exempt managers are finally being reviewed by the Department of Labor (DOL). At issue is how to determine whether an employee is exempt from the Fair Labor Standards Act's (FLSA) minimum wage and overtime requirements.

Because current rules have not been updated in many years, DOL has found it increasingly difficult to apply the rules fairly in new and evolving industries. Under current law, employees paid at least $155 a week are exempt from overtime requirements if they meet five other tests pertaining to their duties.

NRA has repeatedly urged DOL to review its criteria for exempt managers. The non-managerial duties test has posed a problem for foodservice operators. "Working" supervisors or those with many hands-on duties, such as executive chefs, are often difficult to qualify as exempt employees.

DOL published its intent to review its exempt manager policy in an "advance notice of proposed rulemaking" in the *Federal Register* on Nov. 19. The department is seeking comments on several questions regarding the salary and duties tests currently used to determine an exemption.

To obtain a copy of the DOL announcement or express your views on the exempt manager question, contact the NRA Legal Department at (800) 424-5156. NRA will be submitting comments to DOL and would appreciate any insights from NRA members who are affected by the rules.

Minnesota Restaurant & Foodservice Association Executive Vice President Arnold Hewes, left, and NRA Executive Vice President William Fisher, right, discuss the effect of tax changes on the restaurant industry with Sen. David Durenberger (R-MN). Durenberger is a member of the Senate Finance Committee, which handles tax issues.

NRA shifts focus to Senate on business meal issue

NRA lobbyists are shifting their fight to the Senate Finance Committee to preserve the business marketing meal deduction now that the House has completed work on tax reform.

NRA remains optimistic about efforts to retain 100 percent deductibility for business meals. The Finance Committee is expected to take up tax reform early this year.

The Ways and Means Committee finished work on its tax overhaul bill in late November, preparing the bill for House floor consideration in early December. The bill was nearly declared dead on Dec. 11 when it failed to muster enough votes for floor action. However, intensive lobbying by the President paved the way for passage on Dec. 17.

NRA and its hospitality industry allies fought an uphill battle to preserve the business meal deduction during Ways and Means deliberations in November. The industry nearly succeeded when the committee took up an NRA-supported amendment by committee member Wyche Fowler (D-GA) to impose severe penalities on abusers of the deduction while retaining full deductibility.

After the Fowler amendment was defeated by just two votes (19–17), the committee accepted an amendment by Rep. Judd Gregg (R-NH) to reduce business meal and entertainment expense deductions to 80 percent. Committee Chairman Dan Rostenkowski (D-IL), who had earlier proposed limiting business meal deductibility to 75 percent, warned the committee that the Fowler amendment would "kill tax reform" and reportedly threatened to come down hard on those who voted against his plan.

The committee's final tax reform proposal would also limit general business entertainment expenses to 80 percent, including those for hospitality suites, receptions, catered events and tickets to sporting events.

Although there remains some confusion regarding the committee's intent, it appears that if the Ways and Means bill were enacted, it would also limit travel-related meal expense deductions to 80 percent—even if no entertainment is involved. However, the committee's bill would allow 100 percent deductibility for away-from-home business transportation and lodging expenses.

NRA President Ted Balestreri called the committee's decision "unprecedented, unwarranted and economically irrational." He warned that "every restaurant in the country will feel the effects of any limitation on the business meal deduction."

Chase Econometrics, which earlier this year was commissioned by NRA to study the effect of the President's tax reform proposal on the industry, estimates that the House bill would result in the loss of 395,000 foodservice jobs in the first year of its enactment.

Total sales lost to the industry during the first year from the House bill plan would be $10.28 billion, according to Chase Econometrics.

New developments in comparable worth issue

Comparable worth, the issue of correcting pay disparities between traditionally male and traditionally female jobs, has received a lot of attention both in Congress and in the states.

The U.S. House of Representatives has approved bill H.R. 3008, that would require an 18-month study of the federal work force to determine if women are paid less than men for jobs requiring similar skills.

The House bill would also require the Equal Employment Opportunity Commission (EEOC) to provide technical assistance to private sector businesses that wish to implement equal pay for jobs of comparable worth.

The Senate has not taken up the comparable worth issue and is not expected to act on any legislation. The Reagan administration and many business leaders, including the U.S. Chamber of Commerce, oppose this legislation.

Comparable worth advocates believe that the market discriminates against "female" jobs. They want to base compensation on the assignment of values to occupations according to the skill, effort, training, responsibility and working conditions associated with those positions.

Opponents of comparable worth argue that women as a group are paid less, not because of discrimination but because they have, on the whole, less work experience and more work interruptions than men. The only efficient way to determine compensation, according to opponents, is to depend on the market forces of supply and demand.

Comparable worth has been a hot issue for state governments too. A landmark court case that had ordered Washington state to give substantial pay raises to female employees was recently overturned by a U.S. District Court of Appeals.

The 1983 case had ordered comparable pay for state government secretaries and truck drivers. This case became a model ruling for other states and localities that wanted to initiate comparable worth.

The appeals court ruled that the 1964 Civil Rights Act "does not obligate [Washington state] to eliminate an economic inequality which it did not create." This ruling was a blow to feminist groups, which used the case as a rallying point in their efforts to implement comparable worth.

—Jay Morris, Michelle Rabayda

THE BOARD ROOM

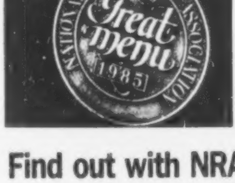
Marriott announces PEC gala at the NRA Show

Richard E. Marriott (Marriott Corp., Washington, DC), chairman of NRA's Political Education Committee (PEC), has announced that PEC will host its Second Annual Political Education Fund Gala Dinner Dance during the 67th NRA Show at the Chicago Marriott on May 17, 1986. A topflight entertainer, along the lines of last year's soloist Tony Bennett, will be the featured performer.

Proceeds from the gala will fund the NRA's efforts to better educate restaurateurs nationwide about their role in the political process. Corporate contributions are being accepted, primarily from special sponsors made up of NRA allied members and suppliers.

Marriott stated that ". . . the Political Education Fund (PEF) allows the foodservice industry to gain excellent exposure at all levels of government by sponsoring political events that bring together members of Congress and restaurateurs to promote the legislative interests of the industry. This fund allows foodservice suppliers to take an active role in promoting the legislative issues that we all 'live and die' by!"

Tickets for the Second Annual Political Education Fund Gala Dinner Dance are $250 each. For additional information, contact Tom Kelley, NRA manager of political affairs, at (800) 424-5156 or (202) 638-6100.



How does your menu stack up?

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311 First St., NW, Washington, DC 20001

Impeciato hailed by *Atlanta* magazine

Atlanta, the monthly city magazine of Atlanta, GA, recently hailed NRA Director Victor J. Impeciato (Vittorio's, Atlanta, GA) as one of the 50 people who make Atlanta special. In its October '85 issue, *Atlanta* called Impeciato "Mr. Restaurant" and "the voice of the restaurant industry in Atlanta for years when no one else was out there fighting."

In their month-long search to find Atlantans who make a difference, two *Atlanta* reporters contacted the heads of community organizations, educators, politicians and representatives from the public and private sectors for nominations. From this list they culled 50 people who, in their opinion, embody the spirit of Atlanta. "If a metropolis can be said to have a spirit," they said, "these are the folks who provide the heart."

Royal receives minority small business person of year award

NRA Honorary Director Ernest H. Royal (Ernie's at Royal's Hearthside, Rutland, VT) was recently honored as minority small business person of the year by the Vermont Small Business Administration (SBA) Advisory Council.

According to Christopher Barbieri, chairman of the Vermont SBA Advisory Council and executive vice president of the Vermont State Chamber of Commerce, Royal was singled out by the SBA for his achievements as a restaurateur and contributions to the community.

"Ernie typifies the consummate small businessman in this state," Barbieri said. "He and his wife started out with a lot of enthusiasm and little financial resources and went on to create a very successful restaurant in Rutland. That, coupled with the fact that he has devoted a great deal of time and effort to volunteer organizations in his community and at the state level, makes him an exceptional candidate to receive this award."

In addition to serving on the NRA Board and assuming an active role in Board activities, Royal has been a member of the Vermont SBA Advisory Council for the past 10 years. He is past president and director of the Rutland region restaurant association, director of the Rutland Region Chamber of Commerce and the Chittenden Bank and trustee of the Culinary Institute of America.

Earlier honors to come Royal's way were the Citizen of the Year award by the Rutland Region Chamber of Commerce in 1982 and the Vermont Restaurateur of the Year award in 1984.

-Dorothy Dee

IN SEARCH OF YOUR RESTAURANT'S IMAGE

by Maurice P. Minno

Hardly a week goes by when I don't receive several calls from restaurateurs who feel that their restaurant should be more popular and have a more profitable sales volume. When I meet with such restaurateurs, I like to ask them to describe their restaurant's image. Often the response is, "I don't really know."

What is a restaurant image? . . .

Your restaurant's image is the impression that the restaurant conveys either directly or indirectly to others. The image is a result of everything you have done in creating and perpetuating the business.

Impressions of your restaurant are formed by your regular customers, the general public, your employees, the industry (critics, hospitality publications, other restaurateurs, etc.) and your purveyors. How they view your restaurant image may be very different from your perception. That is why you must divorce yourself emotionally from the restaurant and understand the image your restaurant creates for "significant others."

Restaurant image builders . . .

Each restaurant is different yet each creates, either successfully or unsuccessfully, atmospheric and personality factors that affect its image. These factors are the builders of a restaurant's image. Every physical feature that creates an emotional effect on those in the restaurant influences the atmosphere. A restaurant's personality is created by the staff, operational characteristics and voiced perceptions of customers and critics. Here is a sampling of typical restaurant image builders.

Atmospheric image builders

- *Location/neighborhood*—convenience, accessibility and safety.
- *Restaurant size and layout*, including degree of intimacy/privacy, creature comforts, functionality, acoustics, table distribution, etc.
- *All physical features of the interior appointments*, including quality, sophistication/elegance and physical condition; textures and colors; coordinated impact; uniqueness; special touches, etc.
- *Tabletop appointments/table settings*, including quality, functionality, appropriateness, overall effect, special touches
- *The building's exterior appearance*, exterior graphic features, such as signs, lighting, displays
- *Interior graphics*, such as design and appearance of menu, paper napkins, matches and so forth
- *Lighting effects* and
- *Cleanliness/housekeeping*.

Personality image builders

- *Service*—type, scope, timeliness; attitude, efficiency, alertness, professionalism, uniqueness, specialization, formality of staff
- *Employees*—personality, uniform appearance, grooming
- *Personalities/reputations of key staff members*, such as owner, chef, maitre d', sommelier, etc.
- *Food and beverages served*—quality (temperature, appearance, flavor blending, portions, etc.), consistency, ingredient quality and freshness, price/value perception, recognized specialties, creativity, variety, complexity, and sensitivity to trends
- *Food and beverage menu*—the type and scope of menu(s) offered; price structure and range; item descriptions; overall condition and appearance, such as cleanliness, tastefulness, etc.
- *Merchandising*—plate presentations, "specials"
- *Operating days and hours*
- *Entertainment*—scope, type, variety
- *Special characteristics*, such as coat handling; rest room appointments and supplies; valet parking; wine tastings; cooking classes; catering—type, scope, and quality, etc.
- *Current customers' profile*
- *Restaurant reviews/publicity*
- *Guide ratings* (i.e., Mobile Travel Guide, Michelin Guide, Holiday Travel Awards, etc.) and
- *Community support and involvement*.

Determining your restaurant's image . . .

An analysis of your restaurant's operations is necessary for discovering your restaurant's image. The intent of such an analysis is to identify your restaurant's specific strengths and weaknesses and potential problems and/or opportunities. Such an analysis entails observing production and service during all meal periods on different days of the week, selectively interviewing current and former customers and determining potential markets in your trade area as well as constructing a profile of current customers and your competitors. Also important is an impartial review of your restaurant's exterior and interior design.

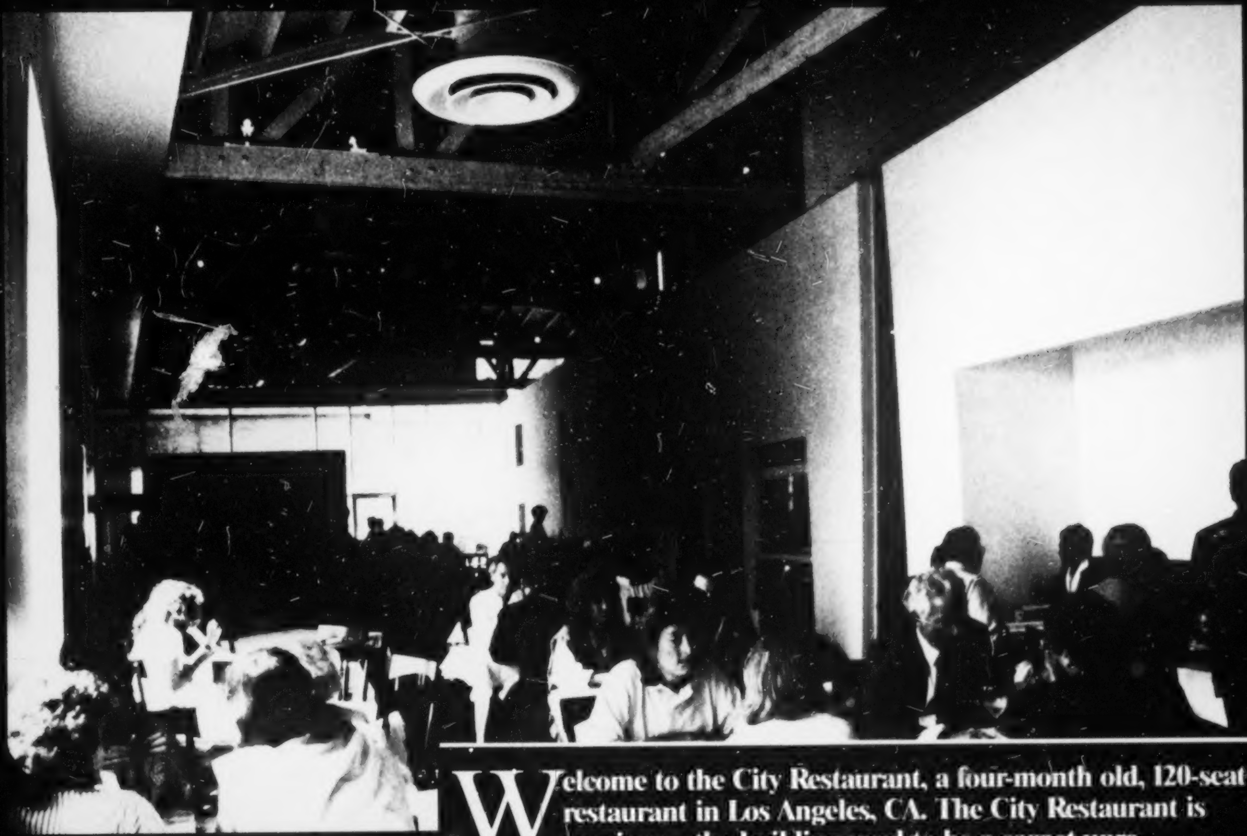
The findings from the analysis will lead you to conclusions on operational problems that are inhibiting sales and require corrective action. The findings also will pinpoint opportunities for more effectively positioning your restaurant in the trade area. ❑

Maurice P. Minno is a principal of MDR Associates in Fairfax, Virginia, a professional hospitality consulting firm, specializing in restaurant operations, restaurant development, menu development and kitchen design.

RESTAURANT DESIGN
Finding the Right Look

by Anne Papa

Welcome to America, a 350-seat restaurant opened a year ago in New York City. Your first impression is one of size—10,000 square feet of undivided space. The walls are a series of air-brushed murals depicting patriotic scenes. A red, white and blue neon "flag" shoots across the ceiling while projected downlights create a pattern of tiny stars on the floor. But America's focal point looms majestically at the rear of the room—an elevated bar made of pink terazzo and speckled with green stars.



Welcome to the City Restaurant, a four-month old, 120-seat restaurant in Los Angeles, CA. The City Restaurant is spacious—the building used to be a carpet warehouse—but your first impression is not of size but rather of its clean, industrial design. Stark white walls are unadorned with paintings or pictures; the restaurant's color comes from the olive green floor, the ox-blood red chairs and the black terazzo bar "lit" from within by bright, orange-yellow walls. Exposed industrial beams and lighting on the ceiling reflect the City Restaurant's warehouse roots.

Restaurateurs from New York to Los Angeles are recognizing that the way their restaurants look can mean the difference between success or failure. Says Michael Weinstein, owner of America, "Quality of food and service remain the most important aspects in my restaurant. But today's customers have higher expectations regarding setting and ambiance. Dining out has become not only an eating experience but a visual experience as well."

Consequently, operators are challenged to identify and then develop "the look" that will draw customers into their restaurants. The most celebrated designs in the country today are the result of a *collaborative* effort between restaurateur and designer. Together, operators and designers are developing looks that are, as one New York designer observes, "approaching the edge of design as never before. The only trend we are noting in restaurant design today is the overwhelming effort to be unique."

Finding the look that fits your concept . . .

The first step in the development of a successful design is to identify your

Chaya Brasserie, Los Angeles, CA

operation's *concept*. By having a firm grasp on the image you intend to convey, you can develop the design that will best promote that image.

David Kellen, partner in the Los Angeles architectural firm Schweitzer-Kellen, which designed the City Restaurant, believes that this step in the design process benefits operators in all aspects of their business. "Whether an owner is developing a new concept or reworking an old concept, it helps to sit down in the beginning and clearly outline what he or she hopes to achieve," he says.

With a well-defined concept in hand, you and your designer are ready to consider the many factors that will make the look of your restaurant distinctively your own.

Location. As demonstrated by the contrast between the City Restaurant and America, current design trends are multi-faceted. If a common denominator does exist, many designers agree that it is geographical. That is, the city or town a restaurant is located in says a lot about how that restaurant will look.

For instance, David Kellen of the City Restaurant says the look of that restaurant is a reflection of the "new excitement in California about fresh ingredients and creative cooking. Our design is intended to showcase that. At the City Restaurant, the design serves as a backdrop to the food and the people."

Across the country, a newly-opened restaurant in New York's Greenwich Village called Baton's (200 seats) integrates spray-painted walls, flashy mannequins and "lightning bolts" zigzagging through the ceiling. "Baton's is fast-paced, dazzling—attributes often applied to people who live in Manhattan," explains Baton's designer Sam Lopata.

Further north, Restaurant Jasper (Boston, MA; 80 seats) achieves a softer look with pastels, art work and plenty of fresh flowers. "Bostonians tend to be more conservative," reflects owner Jasper White. "We bypass many new trends in favor of an established, classic design."

Of course, sweeping generalizations go against the fundamental, creative nature of design. But it is clear that regional influences have a direct effect on design trends. And not only is the city you are located in an influential factor, but where you operate within your city should be considered as well. For instance, when the Chicago, IL-based Levy Organization leased space to open an upscale establishment called Spiaggia (133 seats) they wanted to make the most of their lakeside location. Architect Joel Meisel came up with a multi-tiered seating design that provided as many patrons as possible with a spectacular view. Similarly, Carol Bloom, co-owner of Windows (Arlington, VA; 200 seats) says the restaurant's subtle art deco touches, muted colors and recessed lighting were designed specifically so as not to compete with Windows' commanding view of Washington, DC's monuments.

Clientele. The customers you hope to attract—your target market—must also be figured into the "drawing board" stage of your design. Will your restaurant be a gathering place for singles, a bastion for the business lunch crowd or a haven for families? Your design should be developed to suit your clientele.

At America, Michael Weinstein knew from the beginning that his new restaurant had the potential to attract Manhattan's young professionals. Even the America theme, he says, was created to "reflect a new spirit of patriotism" evident among young people today. Accordingly, many elements of America's design are intended to appeal to a fast-paced "yuppie" clientele. (See the Oct. 1985 issue of ***NRA NEWS*** for article on yuppie spending patterns.)

Most of the tables in the restaurant are large and round, leaving plenty of room for a newcomer to "pull up a chair and join the group." A wide aisle, stretching from the reception area to the bar, creates an impression of movement and spotlights people as they enter. The elevated bar and raised tables at the room's perimeter provide patrons with a view of the entire restaurant. "People love to see and be seen," maintains America designer Libby McClintock. "A customer standing at the bar knows he is in the right place because he can tell at a glance that everyone else is there, too."

Menu. The type of food you will be serving could also inspire exciting directions in your design.

One operator's experience

Doing it on your own

Bentley's, San Francisco, CA

"I guess you could call me a visionary," says Jo Policastro, managing partner of Bentley's Oyster Bar & Restaurant, a 96-seat restaurant which opened last year in San Francisco, CA. "At any rate, I know what I like. I can look at a dark, dingy space and in my mind's eye create a total concept, complete with colors, textures—even down to what type of chairs and tables to use." Unlike many operators who engage professional designers to develop their restaurant's "look," Policastro was the primary design force behind Bentley's.

Bentley's operates adjacent to and in affiliation with San Francisco's Galleria Park Hotel. So Policastro's aim in designing the restaurant was to develop a look that complimented the hotel but was also reminiscent of an East Coast oyster bar, in the tradition of New York's Grand Central Station Oyster Bar & Grill. "That bar is known far and wide as 'the common man's greatest seafood house in America' ", explains Policastro. "In my restaurant, I wanted to combine that traditional feeling with an upscale, chic ambiance."

One visit to Bentley's, and it is obvious that Policastro accomplished what she set out to achieve. Traditional materials, such as tile, wood and zinc, are combined with contemporary touches such as etched glass and inset lighting. The illuminated oyster bar is elevated (an idea Policastro developed after admiring the raised sushi bar at New York's Cafe Seiyoken). The Bentley's name is best represented in a sand-blasted, etched glass mural behind the bar which "depicts the good life"—polo players, a beautiful woman sipping champagne and a gleaming Bentley automobile, circa *The Great Gatsby* and the 1920s.

At Chaya Brasserie (120 seats, Los Angeles, CA), designers Jeffrey Daniels and Elyse Grinstein developed a look that complements the restaurant's menu. The food served at Chaya Brasserie is an exotic combination of Japanese and European cuisines, with an emphasis on French and Italian dishes. Therefore, just as East meets West on the menu, so do they meet in the design. The focal point of the restaurant is a bamboo garden atrium in the center, framed in raw white pine and ascending through a skylight in the ceiling—reminiscent of bamboo gardens in the Orient. Surrounding the atrium are tables covered with butcher paper, tilted mirrors, indirect lighting and wood panelling—elements typically found in a French or Italian brasserie.

Theme. Finally, if your restaurant has a stated theme—be it historic, ethnic or eclectic—your design should naturally reflect that theme. In some cases, it takes no more than an unusual name to spark a slew of creative design ideas.

Such was the case when New York designer Sam Lopata was approached by a prospective restaurateur who wanted to open a new Chinese restaurant—Pig Heaven. "I really had my work cut out for me," laughs Lopata, "particularly since the prevailing attitude was that only a serious, sophisticated atmosphere could make it in New York." But Lopata parlayed the whimsical name into a whimsical design, complete with a barn-like structure, pigs chasing each other about the walls and ceiling, and two wooden pigs out front displaying menus. Observes Lopata, "By not fighting the playful nature of the concept, we created an incredible ambiance. You can't help but smile when you walk into Pig Heaven."

The design process: a team effort . . .

Once you have determined the factors to incorporate into your design, you are ready to begin the design process. You and your designer both play a crucial role in every step of that process—as innovators, decision-makers and "watchdogs" over one another—supporting each other's strengths but also checking each other's excesses. For example, as an operator you are more in tune with the day-to-day practicalities of running a restaurant than a designer ever can be. Therefore, even the best designers will rely on you to reject or modify ideas that will interfere with your restaurant's functions. Says Michael Weinstein, "Architects and designers tend to create in an unreal

Restaurant Jasper, Boston, MA

Baton's, New York, NY

world. For instance, in the America project, use of lasers and other new types of lighting were proposed. But they were impractical, not to mention potentially unsafe."

Occasionally, a logistical problem presented by an operational need can result in a creative design element not otherwise considered. At the City Restaurant, co-owner Mary Sue Milliken recalls that one criterion she established with designers Josh Schweitzer and David Kellen was that plenty of space was needed for the kitchen. In the final design, one end of the kitchen was longer than the other, cutting into Schweitzer and Kellen's space allotment for the dining room. So the designers modified their original plan by building a diagonal wall through the restaurant, providing space in the kitchen where it was needed.

As an operator, you are also more aware of budget constraints which a designer, caught up in his/her creative zeal, may overlook. Similarly, you are better able to identify which design elements should take priority and which can be completed later on. Monique Hooker, owner of Monique's Cafe (Chicago, IL; 100 seats), opened her restaurant two years ago on a strict budget. "We couldn't do everything we wanted right away," she recalls. Consequently, the designer she commissioned created the "high tech" clean look Hooker desired—but only to a point. "The restaurant was designed to accommodate 100 people, but when we opened we only sat 50," Hooker explains. "Even in the kitchen, we had outlets put in where equipment would someday be." Only after the restaurant opened and became successful was the original design completed.

On the other hand, a professional designer contributes expertise, intimate knowledge of design trends and objectivity. Objectivity is key, for one of the biggest problems many operators have is the inability to differentiate between personal tastes and what may actually work best.

Furthermore, a truly innovative designer may challenge you to take risks with your design—to go further out on a limb than you may have gone otherwise. When Boston designer George Timsett first suggested to Jasper White of Restaurant Jasper that the dining room's brick walls be treated a little differently, White was hesitant. Timsett's proposal was this: to sponge paint the bricks, using a combination of watered-down pastel paints to create a soft, high-lighted effect. White's inclination was to "play it safe" by using one solid color on the bricks. So Timsett did one wall as a test. White was delighted with the result. "The mix on the walls makes every other color in the room stand out that much more," he says.

Design elements to consider . . .

When you and your designer work together to create and develop your design, there are many factors to consider. These are some of the basics:

Colors. The colors you use say a lot about your image. For instance, at New York City's Batons, the absence of color makes a stunning impression. The entire restaurant is black, white or gray. At Windows in Arlington, VA, dusty rose and grays are used to create an elegant, sophisticated atmosphere, conducive to business lunches and quiet dinners for two (and, as mentioned, to provide a backdrop for the view). And at Spiaggia in Chicago, rose, aqua and robin's egg blue are used throughout in uninterrupted solids—again, to create an upscale impression which busy, colorful prints may not convey.

Lighting. An increased use of theatrical lighting has added a whole new dimension to restaurant design. At the City Restaurant, bowstring tresses are arranged to spotlight between tables rather than directly on them, creating a glow without hitting anyone directly in the eye. At America, lighting was used to make the big space seem bigger; lights are concealed in a hidden pocket at the rim of the ceiling just before it meets the wall. According to designer Libby McClintock, this type of lighting creates an "implied infinite space" as though ceiling and wall never meet. And at Monique's Cafe, Monique Hooker compliments her bold, industrial design with individual black lights suspended over each table.

Acoustics. Striking the right acoustical balance is a challenge that faces all restaurants. When there is too much noise, it can be jarring. When there is too much silence, it can be dull. Each restaurant must find an acoustical solution that is consistent with its concept and market. At Chaya Brasserie in Los Angeles, for example, the high noise level is considered an asset because "it contributes to the authentic, hustle bustle at-

Monique's Cafe, Chicago, IL

mosphere of a true European brasserie," according to assistant manager Tom Cardenas. But at Timbers Charhouse Restaurant (Chicago, IL; 230 seats) noise was a problem when the restaurant opened last fall. Because a great deal of wood was used in floors, ceiling and walls to give the restaurant the appearance of a hunting lodge, the acoustics were terrible. Recalls owner Jim Errant, "Customers were saying to me, 'I love the look, I love the food, but I won't be back because I can't hear myself think.' " The problem was quickly remedied, with small sound regulators hung from the ceiling and acoustical tiles.

Open/closed kitchen. Open kitchens are seen more and more often in restaurants across the country. "Today's customers are better educated about food. They are excited about preparation methods and new ingredients. Therefore, an open kitchen becomes a form of education and entertainment," speculates Errant.

Of course, open kitchens may not be suitable for all establishments. At Windows, Carol Bloom feels an open kitchen would contradict the restaurant's elegant yet understated ambiance. But many operators find open kitchens to be a definite asset—even a focal point. At Monique's Cafe, glass windows providing a view of the kitchen draw attention to the fresh ingredients and innovative cooking styles used. But Monique Hooker does point out that extra attention must be paid to a kitchen's design if it is to be open. She had a large butcher block installed along one wall to soften her kitchen's appearance, and large appliances and equipment (refrigerators, etc.) are kept in the back.

Extra touches. When all is said and done, often the personal touches best reflect the uniqueness of your establishment. Windows is known for its fine, etched glass panels. At Spiaggia, customers notice an exquisite, patterned rug which hangs in the vestibule—the pattern of which is repeated in the serving platters. Monique Hooker says she softens her cafe's bold, streamlined design with fresh flowers, music and art work from nearby galleries. And at Restaurant Jasper, Jasper White pays upwards of $500 weekly to keep his establishment full of fresh-cut flowers.

But will it last? . . .

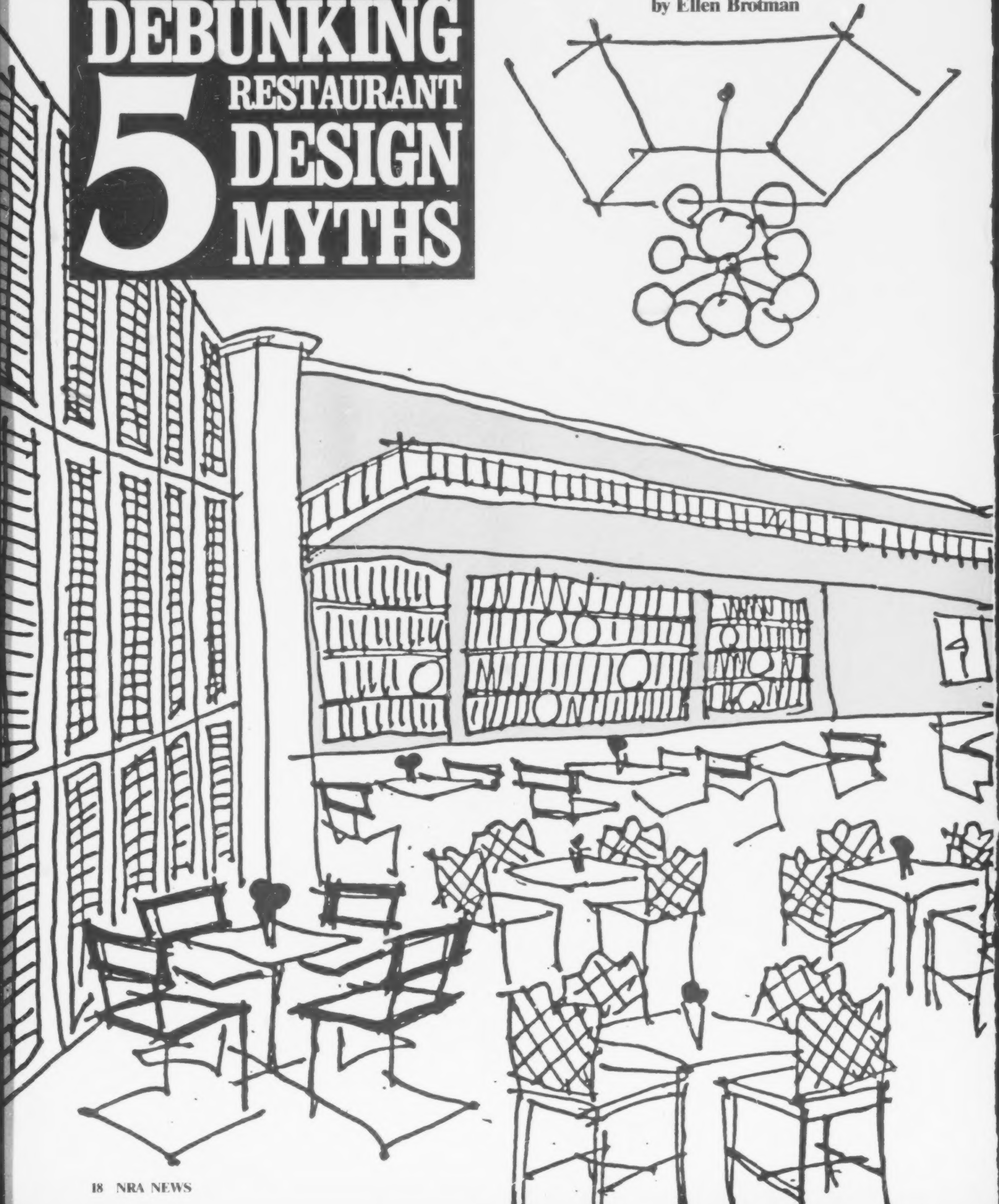
Finally, when every chair and table is in place, stand back and evaluate your design. Does it convey the image you want it to convey? Is it impressive enough so customers will comment upon entering, yet comfortable enough so they will be able to sit for two or three hours without feeling overwhelmed?

As Jim Errant of Timbers Charhouse says, "You live with a design for a long time before you even open the doors. You've seen it on the drawing board, you've seen it halfway finished, you've seen it completed. But then you open, and you realize it is not completed. Because then it belongs to your customers. They may have suggestions to make or changes to recommend."

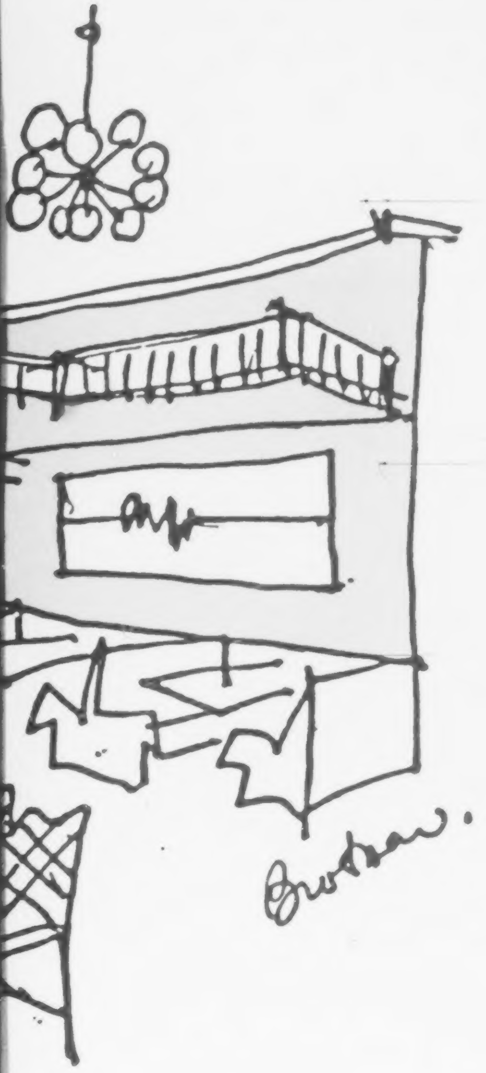
Constant evaluation, modification and updates are a fundamental part of the design process. Keep in touch with your designer, asking him/her to come in periodically with recommendations. Stay abreast of current trends in your market area and, most importantly, listen to your customers—for their opinions will determine the staying power of your design. ❑

DEBUNKING 5 RESTAURANT DESIGN MYTHS

by Ellen Brotman



Common design myths are often based on fabled or hand-me-down "shoulds" or "shouldn'ts" instead of proven nuts-and-bolts design principles. Let's explore five of the more common design myths.



Ellen Brotman is president of Ellen I. Brotman Interior Designs, Inc. in Fairfax, VA, specializing in restaurant interior design and individual consultation.

Myth 1 Pink is for girls and blue is for boys.

We have all been told that "pink is for girls, and blue is for boys." The good news about this myth as related to restaurant design is that for the most part it has self-destructed. Indeed pink (or more agreeably "mauve" or "rose") is a very popular choice today in many restaurant interiors. In truth, color has no sex link or predisposition. Very often eliminating color options you assume are too "feminine" or "masculine" is eliminating a wide range of possible selections. It would be best to base your color choices on the desired image or mood. Indeed, there are many fresh and innovative colors that are just waiting to be used.

Myth 2 You should use only one style of chair throughout the dining room.

This myth seems to harken back to the matching set syndrome most notably found in homes—that is, the coordinating bedroom suite combining the exact style headboard, dresser, night tables, chest of drawers and lamps. In restaurant dining rooms, especially those having a large, open, single-leveled space, the use of only one chair style can produce a rather monotonous visual effect.

More interesting combinations could include a mixture of chairs from the same period but of a different style or groupings of fully upholstered chairs along with lighter, more open-framed varieties. In addition to visually enhancing the environment, this eclectic grouping would also give the diner a choice of seating. Again, there are no "shoulds" or "shouldn'ts" that apply there. It really boils down to breaking old habits and trying something new.

Myth 3 "Because Harry's Bar and Grill has been in business for 200 years, we should make our restaurant look like his."

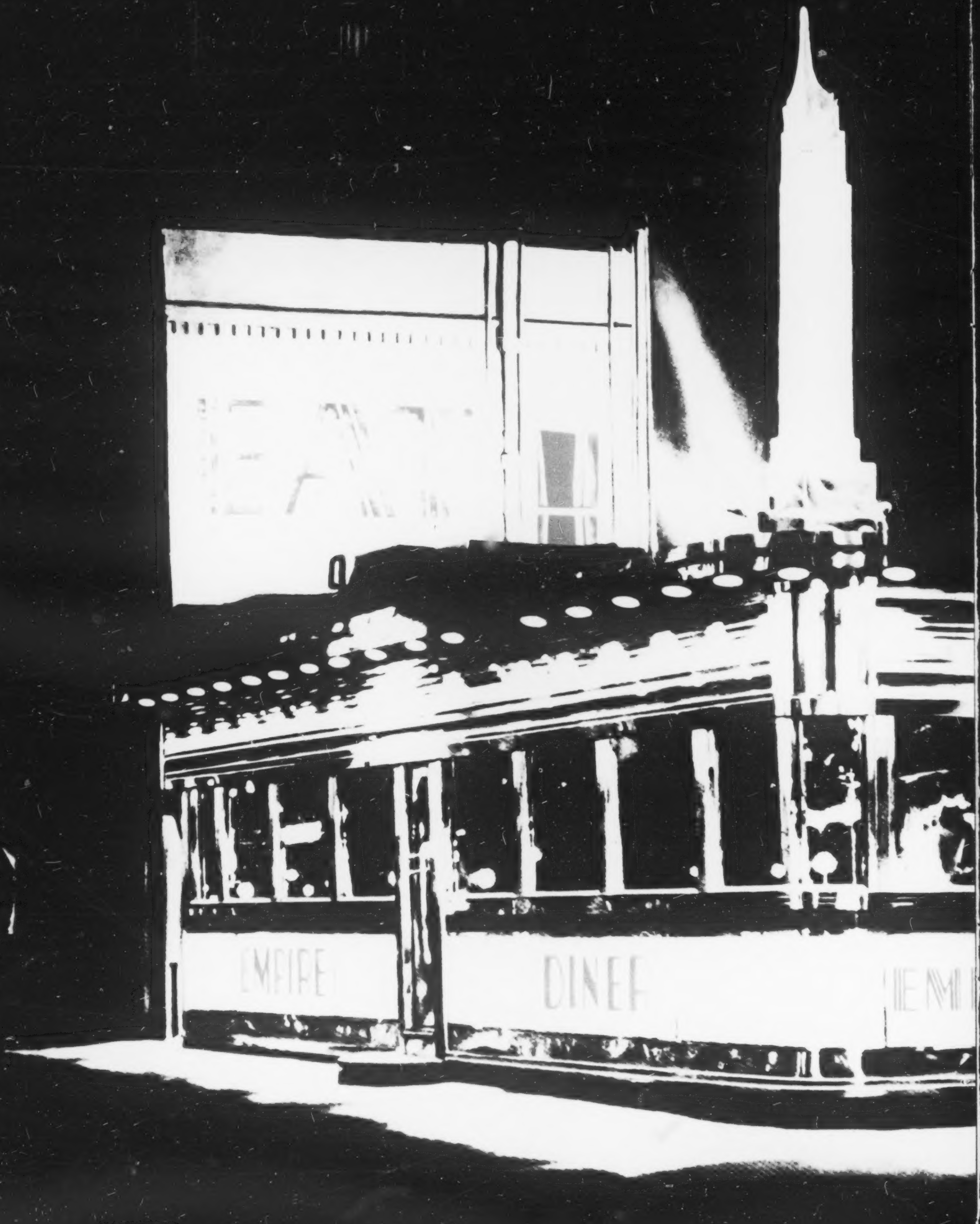
During initial brainstorming sessions, clients often bring me pictures of favorite restaurant interiors, hoping to achieve the same design. While this is an appropriate tool to establish the image or ambiance of a new space, exact duplication can turn out to be a terrible disappointment. Just because a design has been successfully used in a particular property does not mean that it is a sure bet for every other space. Harry's Bar and Grill may work wonderfully in a downtown urban setting but probably will not draw customers in a suburban shopping center. Instead of trying to duplicate another restaurant interior, it is best to assess your own property in terms of location, market, mood and, most importantly, projected budget.

Myth 4 "I'll finish accessorizing after the restaurant opens."

This never happens. During the first few weeks after opening, there are simply too many other problems to deal with. So the bare walls or empty corners tend to remain as they are. Or, even worse, accessory items are purchased haphazardly, just to fill up the space. Unless you get lucky, these items will probably not be the most well-suited appointments. Maybe the very word "accessory" is the root of the problem here—the implication being that accessories are an addition or accompaniment to the overall design. In fact, accessory items are an integral part of an interior space and truly reflect the character and image of the design package. That is why they need to be selected, budgeted for and purchased along with all the other furnishings.

Myth 5 Furnishing selections should always echo the same period as the interior architecture.

Every so often a restaurateur is fortunate enough to find a building of historic integrity, such as an old train station, mill or foundry, that can be renovated and made into a restaurant. The obvious choice of furnishings would be to select from the same period as the particular interior architecture. But there are options. For example, incorporating some classical contemporary furnishings and graphics into an old mill equipped with beamed ceilings and pegged wood floors would actually point out and highlight the interior architecture. The reverse also would work. Given a sleek contemporary structure with pitched ceilings and glass walls, the inclusion of elegant antiques and classical appointments would add warmth and interest and more importantly, a human scale. Indeed, mixing the old with the new can produce a most desirable and long-lasting effect. ❑



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Restaurant Signs
A 24-Hour Invitation

by Cecelia Niepold

Imagine a weary traveler, hungry and tired, scanning Route 1 in Saugus, MA, for an inviting place to enjoy a meal. Suddenly he spies a seven-story high, brightly lit cactus with the words "Hilltop Steak House" in ruby red neon. In just six seconds (the average time a motorist traveling 55 m.p.h. has to read a sign) the sign has done its job. By communicating both the restaurant's location and its country western motif, the sign has successfully attracted another hungry customer.

"If you can make your place stand out, if people notice it and it looks appealing, they will turn in," says Robert Walker, president of Great American Displays, Inc. in Westmont, IL. "Approximately 85 percent of all shopping is based on impulse buying."

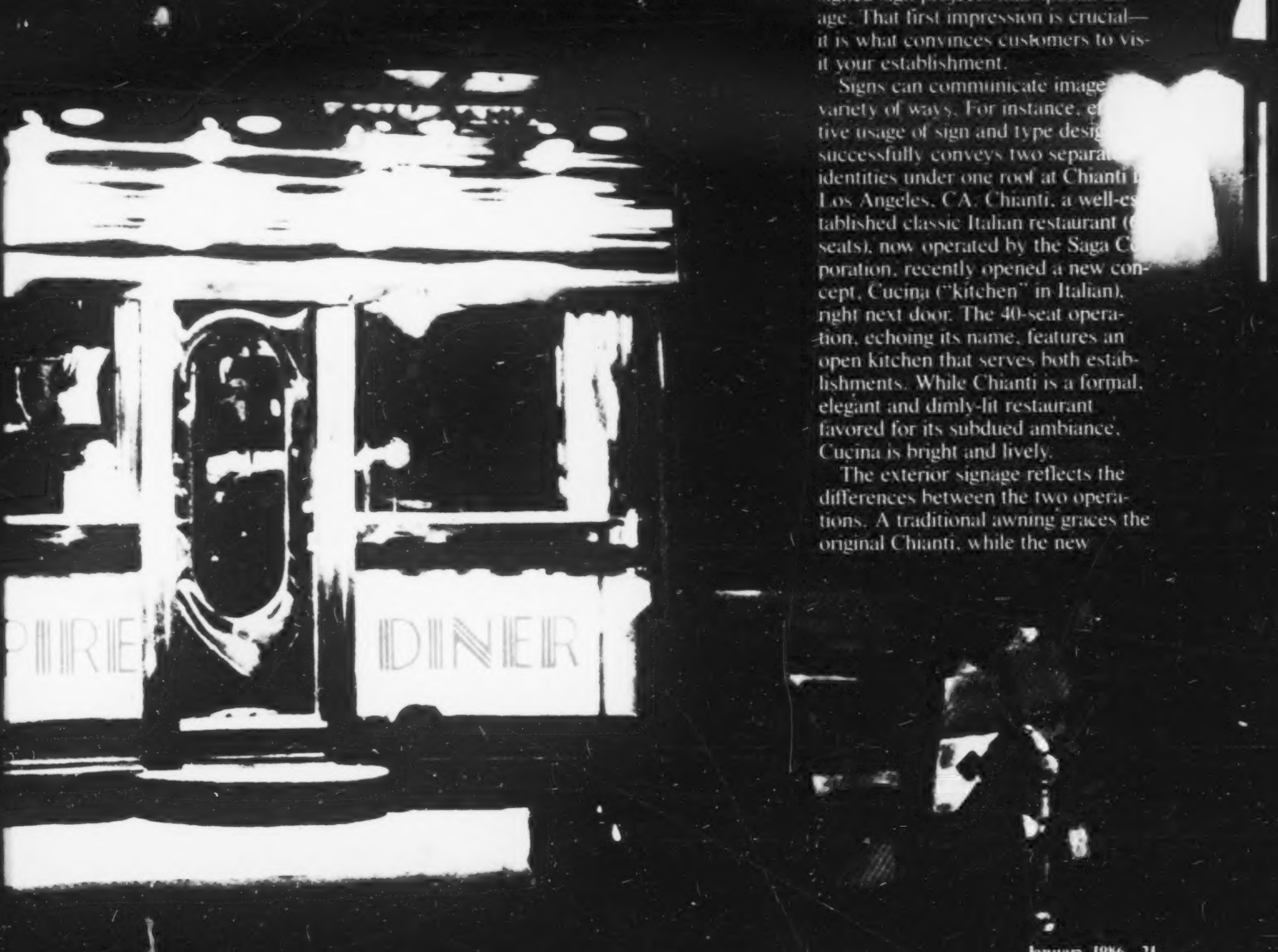
How signs can work for you . . .

Signs are your most visible means of communication. They tell customers who you are, where you are and what you sell. Well-designed signs should be more than just basic information boards. When used creatively, they can complement your restaurant's specific needs, effectively market your concept and, most importantly, make your establishment stand out from the crowd. Here are several ways in which signs can enhance your operation.

Convey image. Each restaurant has its own unique personality. A well-designed sign projects that special image. That first impression is crucial—it is what convinces customers to visit your establishment.

Signs can communicate image variety of ways. For instance, ef tive usage of sign and type desig successfully conveys two separa identities under one roof at Chianti i Los Angeles, CA. Chianti, a well-es tablished classic Italian restaurant ((seats), now operated by the Saga C poration, recently opened a new concept, Cucina ("kitchen" in Italian), right next door. The 40-seat operation, echoing its name, features an open kitchen that serves both establishments. While Chianti is a formal, elegant and dimly-lit restaurant favored for its subdued ambiance, Cucina is bright and lively.

The exterior signage reflects the differences between the two operations. A traditional awning graces the original Chianti, while the new



Cucina features bright open windows. A large version of the original Chianti logo shines above both store fronts, tying the two concepts together.

The Clam Box, a 75-seat operation that has been serving fried clams for 50 years in Ipswich, MA, communicates its image differently. The building itself is the actual sign because it is shaped like a traditional clam box. Says owner Theodore Aggelakis, "People can tell from the building exactly what we serve."

Smaller design shapes can also effectively convey identity. For Stars, a 140-seat restaurant in San Francisco, using a bright star in its sign was a natural step. The word "Stars" in glowing green neon script is highlighted by a vibrant gold star in the center which takes the place of the "A." The image is also used throughout the restaurant. The gold star logo brightens the restaurant's sophisticated black and gray menu and small stars dot the lush green carpet.

Change image. Signs can also help restaurateurs communicate a change in image. New signage is the most effective way to let customers know something is different inside. Changes can be simple, such as new type and color, or a total revision for a dramatic new look.

When John Glisson wanted to update his 400-seat Johnny's 83 Club, a country western entertainment complex in Chicago, IL, he made the transition in two stages to gradually communicate his new image and avoid frightening away established customers.

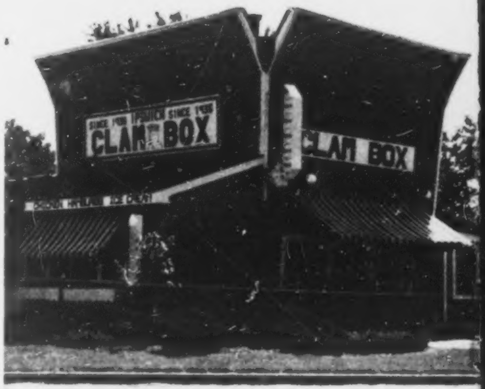
The first step, Johnny's These Days, operated for a year and a half. It blended the country and modern look by keeping the word "Johnny's" from the original country-looking sign and adding "These Days" in a jazzy modern type. Similar yellows and browns also tied the two signs together.

When Glisson was ready to complete the transition to Mr. Cognito's New York—a lively dining and dancing establishment with a sophisticated New York flair, he changed the sign to a silhouette of a man in a hat and sunglasses and changed the color to burgundy.

"The signs played a big part in helping me make the change because they reflected the interior changes," explains Glisson. "Quite a few people have gone along with us and put up their cowboy boots."

The 463-unit Sizzler chain based in Los Angeles, CA, simply changed the copy and colors on its signs to convey a broadened image. Traditionally a steak-oriented restaurant, the chain has added seafood and salads and brightened its interior. To communicate the new focus, the trademark cows were eliminated and the words "Family Steak House" were substituted by "Steak, Seafood and Salad." And to reflect the more upscale image the colors were changed from red and purple to more subdued browns.

Another steakhouse, the 585-unit Dayton, OH-based Ponderosa chain, has also used signage to "de-wester-



The Clam Box in Ipswich, MA, shows that buildings can be effective signs.

A look at some signage trends

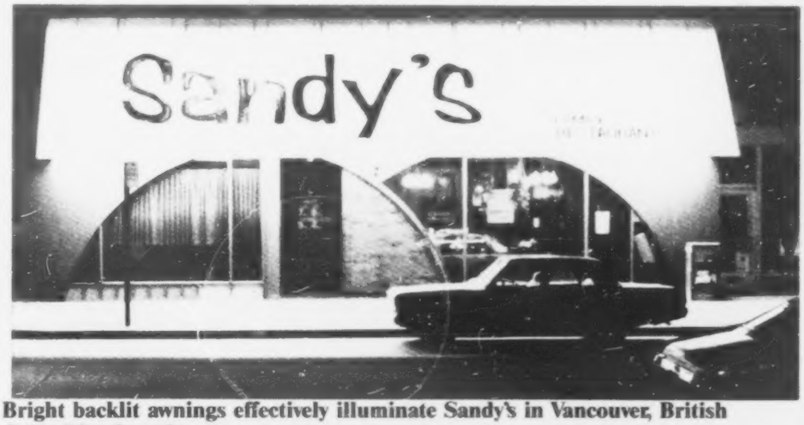
Innovations are making signage increasingly effective.

Backlit awnings are one of the "hottest" trends in the sign industry today, according to Jerry Swormstedt, publisher of the *Signs of the Times* magazine. An evolution of traditional awnings, these new awnings are brightly lit to project colorful artwork and copy actually printed on the awning. "They work because the fabric and steel sculpture becomes three dimensional," explains Dave Marshall, sales manager for Ancient Mariner Industries, a firm in Seattle, WA, and Canada that manufactures and designs backlit awnings.

The advantages of backlit awnings are many: they often cost less per square foot than traditional electric signs; they are not as restricted by sign codes; and, because they can soften a building's hard lines, they are very appealing. They are fairly inexpensive to change and can be adapted to fit many different situations.

For instance, the Fraser Arms Hotel in Vancouver, British Columbia, Canada, used backlit awnings to draw attention to its three restaurant concepts. Facing out on a dark parking lot, none of the restaurants was noticeable. Backlit awnings were created to reflect each operation's personality (a pub, a cabaret and a white tablecloth restaurant) with different sizes, shapes and type designs. Now the restaurants jump out; each is distinctly illuminated.

Neon. Although neon was born in the 1900s and matured in the 1950s,



Bright backlit awnings effectively illuminate Sandy's in Vancouver, British Columbia, Canada.

nize" and update its image. Simple, rich burgundy copy (to maintain the quality meat image), highlighted by green and beige accents (to convey freshness) has replaced the familiar "branded" look of the original yellow and brown signage. Above the copy, three silhouettes of pine trees project the outdoorsy yet fresh new image. To reinforce the new look, the pine trees will be used as a small motif throughout the interior.

Improve poor location. If your restaurant is off the beaten path, a well-designed, well-lit sign can alert customers to your presence and communicate your restaurant's personality.

There are many ways to creatively enhance a less-than-perfect location. For instance, located amidst towering buildings in Manhattan, the Empire Diner, an 80-seat art deco diner, boasts a brightly lit five-foot-tall reproduction of the Empire State Building on its roof. The sign effectively communicates the diner's location as well as its name. At night, the light from the miniature Empire State Building lights up the word "EAT" printed in big bold art deco letters on the building wall next door—further advertising the diner's presence.

Recognition. Sometimes a sign can take on its own personality and become so familiar that people recognize it immediately. This kind of asso-

Typical monthly costs of various advertising media

Media	**Cost per thousand**
On-site sign	$ .06
Outdoor billboards	$ .56
TV advertising	$1.34
Newspaper advertising	$1.47
Radio advertising	$2.90

**Cost per thousand exposures in a community of approximately 130,000.*

Source: *Signs and Your Business*, U.S. Business Administration, Claus & Claus, 1976.

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designers are again using touches of neon to add sparkle and flash.

For instance, Cafe Colorado, a new 150-seat restaurant in Santa Monica, CA, effectively combines a thin slash of neon on top of big bold letters in its sign to convey the restaurant's bright modern image. Because the restaurant is an off-shoot of a well-established area restaurant, Le Dome, the owners wanted to create a more casual and up-to-date atmosphere at the cafe. The simple neon design clearly projects the cafe's lively ambiance.

Creative usage of neon conveys a bright modern image at Cafe Colorado in Santa Monica, CA.

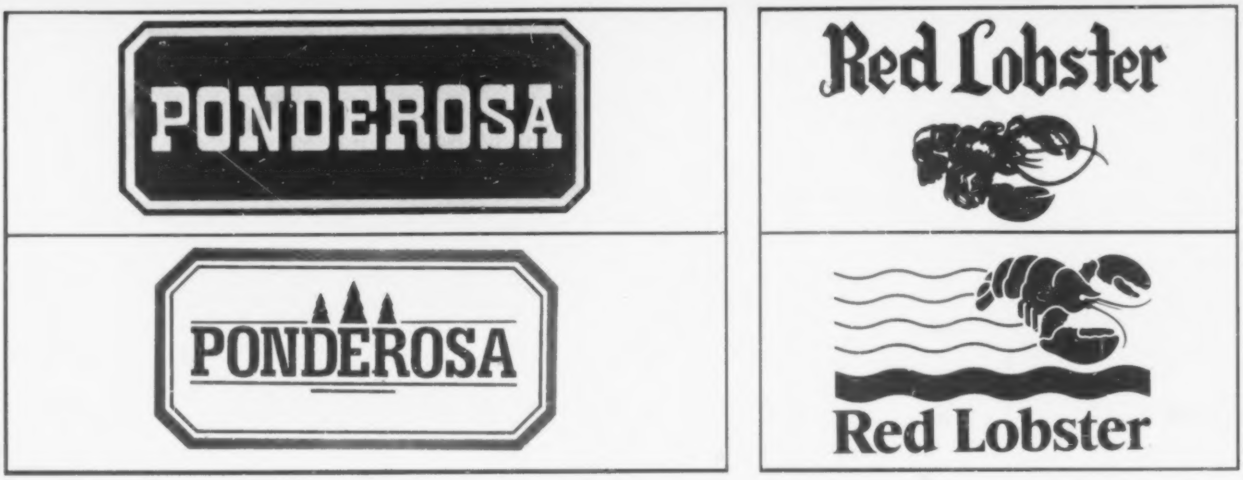
Color is being used more creatively. Innovative color design has effectively made two signs out of one for the 377-unit Red Lobster chain based in Orlando, FL. During the day, the simple design, a bright red lobster surrounded by blue waves, is framed by a clean, white background—communicating a fresh, friendly lunch-time look. At night, however, the white background disappears (it is opaque, light does not penetrate), and the colors jump out with a neon-like intensity. The image suddenly becomes exciting and vibrant—suggesting an enticing night-time gathering place.

Building design. "We use the building's architecture, as well as its signage, as a signaling device to communicate certain values to customers," explains Martin Roberts, vice president of retail designs at Landor Associates, a strategic design and marketing firm in New York, NY.

For instance, when re-designing Red Lobster's look, Landor Associates also strongly emphasized building design. To convey a friendly, seaside ambiance, the exterior wood was stained a light gray and a blue canvas awning with crisp white piping was added at the front door. The signature widow's walk was brightly illuminated to emphasize the integrated look and make the building stand out more effectively.

Decorator panels can be attached to the exterior of a building. At Xian, a fledgling four-unit Chinese fast food chain based in Westmont, IL, 5′ by 5′ panels shaped like Chinese symbols have been added to the building's exterior.

Changeable sign boards, though not a new medium, are being increasingly used to pique customer interest. Because they are usually installed under a restaurant's major sign and announce daily specials or new products, they offer valuable flexibility. At Ryan's Family Steakhouses, a 53-unit Greenville, SC-based chain, a new food bar featuring hot and cold entrees as well as salads was introduced with one simple phrase on the sign boards: "Now Featuring the World's Most Unique Food Bar." No other advertising was used; but according to Mark McCall, vice president and chief operating officer, none was necessary. "Sales are up 35 percent chainwide as a result of the notice on the sign boards."



Here is how two restaurant chains changed their signage to convey new images. Ponderosa (Dayton, OH) has "de-westernized" and updated its look with new colors, while Red Lobster (Orlando, FL) has broadened its appeal with bright signage that conveys different day-time and night-time images.

ciation is invaluable advertising. Although every sign should strive for this "landmark status," sometimes it just happens.

That was the case with MacDonald's arches. Although today the golden arches are known far and wide as the MacDonald Corporation's symbol, this was a fortunate coincidence. The arches were part of the MacDonald brothers' original building design and were incorporated as the chain's logo only after Ray Kroc realized how closely people associated the arches with the restaurants.

Soony Dejavichitiert, co-owner of the 72-seat Thai Taste in Washington, DC, also inherited a symbol when he bought his restaurant: a striking neon art deco sign. Even though the neon is an unlikely choice for an Oriental restaurant, Dejavichitiert decided to incorporate it into his restaurant after receiving numerous letters from neighbors asking him to keep it. "I'm happy we did because everyone knows the sign," he explains.

Signs are cost effective . . .

Not only are signs versatile communicators, they are also the most cost effective way to advertise your concept. According to the Institute of

Pitfalls to avoid

Don't underestimate your sign's importance. Sometimes owners forget about their signage or take it for granted. "It doesn't matter how good your food is if you can't get customers to come in the door," reminds Andrew Bertucci, president of Andrew Bertucci Associates, a design consulting firm in Bristol, PA. "Most restaurateurs don't realize how many potential customers walk by and don't come in because they haven't been invited."

Don't let your customers get bored with your signs. Signs, like anything else, can become outdated. Take a good look at your sign. If you are bored with it, customers may be too. "After a few years habituation sets in, people don't even see the sign anymore," explains Bertucci. "Updating a sign usually creates a considerable influx of new customers," he says. Many companies change their signage every six or seven years.

Don't update your image halfway. If you update your image, don't forget to include your signage in the change. Customers won't realize something has changed unless you tell them. Exterior signage is the most effective way to indicate something is new. Remember that sign changes do not have to be major to alert customers. Sometimes a simple change in type style or color will do the trick.

Don't turn your back on legibility. Sometimes a design will look good on paper but will not translate into a three-dimensional sign. Make sure colors contrast and typefaces are legible off the ground.

Don't forget to keep your signage in good repair. It is very important to maintain a clean, properly working sign. A burnt-out or dirty sign can imply your business isn't topnotch. Cliff King, sales manager at Cummings Signs in Columbus, OH, says, "A clean, sparkling sign is especially important for a restaurant. A dirty sign may convey a dirty kitchen."

Don't cut costs. A sign represents your business. A second-class sign may suggest you have a second-class operation. Your signage should do justice to your overall concept. A too-small or poorly designed sign does not usually save money—it costs customers because fewer people read and remember the sign.

Don't forget to check local codes. Before you decide to build a 50-foot sign, check your local sign codes. Many communities have strict restrictions regarding size, lighting and how far signs have to be set back from roadways.

Don't expect a new sign tomorrow. Signs take time to design, build and install. Phil Rimmer suggests contacting a sign company at least four months before you want a sign installed. Before meeting with a sign company, allow yourself enough time to develop your own ideas.

CUCINA
Chianti

Signage clearly conveys two different identities under one roof at Chianti in Los Angeles, CA.

Signage Research, a basic on-premise sign costs six cents to reach every 1,000 adults. This compares very favorably with $2.90 for six one-minute radio spots per week or $1.47 for a 1¼-page weekly newspaper ad.

There are other factors, too, that contribute to the cost effectiveness of signs.

- Signs are always on the job. They promote your business 24 hours a day, seven days a week.
- Signs last for many years. "If you consider the cost of the sign, amortize that cost over 10 to 15 years, you realize that the cost of signage is your least expensive form of advertising," explains Robert Walker.

All this adds up to constant, consistent exposure, name recognition and image building—at a comparatively low cost.

Thai Taste in Washington, DC, has incorporated its "landmark" neon sign into its overall design.

What makes a good sign? . . .

Signs often become your signature. That is why effectively combining signage elements is crucial. Here are some pointers.

Image. Think about the impression you want to create. A well-designed sign should quickly convey your restaurant's image. As Phil Rimmer, sign specialist at Dick Newman deSigns in St. Louis, MO, explains, "A poorly designed sign can be a self-inflicted wound because it can repel the very customer you are looking for." A case in point is a midscale Mexican restaurant which lost customers because its signage conveyed an upscale dinner house image.

Exterior/location. Consider how signage will blend with the overall look of your building. According to John Connors, president of Mack Sign, Inc. in Chelsea, MA, "The best signs are in harmony with their surroundings and their building." Think about your location. A congested area may demand a striking sign while an open area may lend itself to more subdued signage.

Size. There are no ironclad rules for size. The size of your sign will depend on factors such as local sign codes, your location and the image you wish to convey. If you want to attract highway traffic, obviously you need a sign that is readable from the road. If you want to project a small, intimate eatery, an awning or small wooden sign may be more appropriate.

Lettering. Readable lettering is crucial. Consider how far away people will be when reading the sign and how fast they will be traveling. A general rule of thumb: Simple letters, without serifs or thin strikes, should be one-inch high for every 40 to 50 feet of distance between the reader and the sign. A fancy script may require letters four or five times larger.

Color. An effective color scheme is one of the most important factors in sign design. Robert Walker suggests using contrasting colors for lettering and background. He also recommends using a minimum of three colors—one for lettering, one for background and one for an accent to make it distinctive.

Color choice is also crucial. Many colors have "built-in" personalities. For instance, yellows and reds are often used for fast food signs because they are vibrant and connote movement and activity. On the other hand, blues or pale greens can convey a more relaxed image.

Continuity. Try to coordinate the sign, even if it does not include your logo, with the rest of your restaurant's image—interior, menu design, etc. This will help create a well-designed total look.

Where to go for help . . .

If you are interested in developing new signage, there are many professionals that can help. To gather general information, you may want to contact national organizations, such as the National Electric Sign Association (Alexandria, VA) or the Point-of-Purchase Advertising Institute (Ft. Lee, NJ). Many states have sign associations that may provide valuable local leads and restriction codes.

Professional sign companies or design consultants also can help you develop effective signage. Design consultants generally create logos or sign designs but do not actually make the signs. Sign companies, on the other hand, manufacture signage, and some have design capabilities as well.

To ensure you get the services you need, you may want to ask the following questions before contracting with a firm.

- How long has the company been in business?
- What are the firm's design capabilities? Do they have an in-house design team?
- Are there nearby projects you can inspect? References?
- Will the firm provide information about local sign restrictions?
- Does the firm offer maintenance services?
- How much time will it take? ❑

Analysis:

PROMISCUOUS LITIGATION

The crisis in product & service liability

America is the most litigious society on earth. In 1984, one private lawsuit was filed for every 15 Americans—up 50 percent from 1979. Today, the growth in new suits continues to outpace the population. As the number of liability suits abound and insurance rates skyrocket, businesses and professionals are revaluating their ability to offer products and services. Hit hard by this escalating spiral is the hospitality industry. Liquor liability insurance is harder and harder to come by and, even when available, insurance costs are often prohibitive. This article takes a look at this perplexing problem.*

by Steven Golob

Glenn Tanner's liquor liability insurance ran out last October. He wanted to renew, but couldn't. No one in the state of Massachusetts was offering liquor liability insurance. For Tanner, co-owner of the 65-seat Tanner's Observation Deck in New Braintree, eliminating alcohol was the only viable solution. Although the restaurant now offers more non-alcoholic mocktails, the move has taken its toll. Overall business has dropped about 20 percent.

- Ron Aspell's general insurance liability has skyrocketed more than 300 percent, jumping from $12,000 to $39,000 in just one year. To take the bite out of the increase, he has added a $1.50 per person liability surcharge to his banquet fees. Aspell, owner of the 130-seat (plus 150 banquet seats) white tablecloth Country House Restaurant in Pemberton, NJ, believes that adding a liability surcharge to menus, rather than just generally raising prices, will let customers know exactly how our "sue happy society" is affecting the restaurant industry. "If we put it on the menu for the world to see, customers may become outraged and go home and write their congressmen," he explains.
- Jim Stiegman's liquor liability insurance increased stupendously, jumping from $185 one year to $26,500. Stiegman, owner of Colonel Brook's Tavern, an 80-seat operation in Washington, DC, considers himself lucky—lucky even to get a quote from an insurance company.

In the nation's capital as in the rest of the country, civil court juries are considering ability to pay over culpability. They are coming up with generous judgments against the defendants with the most money, which usually means those carrying the most insurance.

Insurance companies, in turn, either are not offering product and service liability coverage to high-risk businesses or have raised significantly the cost of such coverage. Last year, restaurateurs with liquor liability insurance paid a premium increase averaging 110 percent, and some operators paid considerably more.

Stiegman complained to his city council, asking local leaders to act against irresponsible lawsuits. In December, he told the National Restaurant Association he was astonished by the frankness of one councilwoman. "My constituents look forward to the day they can sue; it's like hitting the numbers," she said.

For his part, Stiegman has gone bare—that is, he did not get the insurance. Instead, he has instituted programs at his restaurant to prevent customers from getting drunk, including a designated driver program. The programs also should limit his liability in case customers do become inebriated and then hurt a third party.

Although going bare is not the end of the world; if an operator loses a lawsuit, it could mean the end of his business. And, even if he wins, it could be costly.

Foodservice not alone . . .

It is cold comfort to those going bare or paying considerably more for coverage, but liquor liability is not the toughest insurance to get. It is second. Topping the Insurance Information Institute's list of hard-to-get insurance is coverage for companies that pose pollution risks.

After liquor liability comes coverage for day-care centers, medical malpractice insurance and high-limit coverage (above $50 million) for industrial firms. Completing the top eight, it is tough to get insurance for firms that remove asbestos from schools, for commercial fishing boats and for municipalities.

Aquaslide 'n' Dive Corp. of California, the country's largest manufacturer of swimming pool slides and diving boards, last year followed companies from other high-risk businesses into bankruptcy court. Although its income statement is still strong, Aquaslide does not have enough insurance to cover the potential awards from liability suits filed against it. Said an attorney for Aquaslide: "We wanted insurance in the worst possible way."

The worst possible way is how Acmat Corp., a Connecticut asbestos-removal firm, got $6 million in liability coverage. It paid $6 million for the insurance premium. "The policy gives us a worthless amount of protection, but we could not bid on public jobs without it," says an Acmat executive.

If democracy is an imperfect way to run a government, only better than all the other systems tried through history, then suing is an imperfect way to settle disputes. But it, too, is better than all the other known methods, from dueling to flipping coins.

Americans are litigating promiscuously . . .

The problem is, Americans are beating the system to death by litigating promiscuously.

Steven Golob is a free-lance writer in the Washington, DC, area.

Consider these two suits.

- A woman tries to commit suicide by locking herself in the trunk of her car, then changes her mind. She sues the automobile manufacturer because she almost died waiting nine days before somebody found her. The trunk should have opened from the inside, she contends.
- The estate of another, not-so-fortunate woman sues the maker of an electric facial sauna, charging it came with inadequate instructions. Court testimony discloses the woman was sitting in her bath, the end of the appliance's cord in one hand; with her other hand, she was washing herself in the water-filled tub. In her mouth, she held the end of an extension cord. What the instructions should have warned her, according to the estate, was that she shouldn't have brought the electrical plugs together under those circumstances.

Both cases were thrown out of court, but not before the defendants paid handsome attorneys' fees.

Consider these cases that weren't thrown out of court. And, note the generous jury award or the out-of-court settlement agreed to by the defendant in fear of a generous jury.

- A champion body-builder, running a footrace with a refrigerator strapped to his back, is injured when a strap slips. His body-building career over, he sues everyone in sight. The jury awards him $1 million.
- A burglar, trying to break into a high school, falls through a skylight which, his attorney argues, carries no warning it is unsafe. Paralyzed from the fall, the burglar gets $260,000 up front, plus $1,200 a month for 20 years, in an out-of-court settlement.

In Texas alone, a laborer was awarded $70 million after an on-the-job accident, a woman's estate won $106.8 million after she died in a car accident and another man was awarded $120 million for injuries.

Some causes of the problem . . .

Along with the settlements of big awards by juries, insurance companies are troubled by the smaller settlements they pay to keep cases out of court, either because paying the attorney fees to win the case

What you can do to protect yourself

It's nice to know, though it will not keep you out of court, that the public is on your side.

Liquor purveyors should not be held legally responsible for drunken driving accidents caused by their customers, agreed 72 percent of the 1,402 respondents to a media poll last year.

Nevertheless, a Massachusetts restaurateur, who knows that courts don't follow polls, agreed to pay $4 million to the estate of a young woman killed by one of his customers in a traffic accident.

Shortly before the customer left the restaurant, according to witnesses, he staggered to its bar and slurred: "Another one for the road."

Having the public on your side won't keep you out of court if a customer leaves your establishment inebriated, then injures a third party. However, there are precautions you can take to keep your customers sober, to keep them from driving if they do become intoxicated and to protect yourself in case you wind up in court alongside a customer.

DON'T advertise "all-you-can-drink" offers, two-for-ones, free drinks, multiple drinks or oversized drinks. You'll be advertising your irresponsibility in court.

DO

- Post signs that encourage moderate consumption of alcohol.
- Promote food that slows the consumption and absorption of alcohol, especially hors d'ouevres that are high in protein and fat, such as eggs, meat, cheese and whole milk. Although these foods have the greatest capacity to retard alcohol absorption, any food will slow down the alcohol absorption process.
- Provide alternative transportation for any departing guest who shows signs of intoxication. Offer to call a taxi, and then offer to pay for the fare if necessary; or ask a staff member to drive the guest home in the guest's car or a company car. In many cities, operators have banded together to form taxi programs.
- Institute designated driver programs. The idea is simple: One person in the party is designated as driver and served free non-alcoholic beverages.
- Explain house policy in advance to companies holding parties at your establishment.

The above tips are part of NRA's "Help Prevent Drunk Driving: A Restaurateur's Guide." The NRA also offers a three-and-one-half hour seminar for restaurant managers on alcohol awareness for servers. Many state restaurant associations present this seminar to restaurants in their regions.

Whichever program you choose, make sure your trainer is well qualified. If you find yourself on the stand as a defendant in a liquor liability suit, the plaintiff's attorney will question you closely on this point.

Also, check with the program's administrators to see if instituting the program will give you a break on your liability insurance. INA/Aetna, for instance, cuts at least 10 percent off the insurance premiums of establishments where at least 75 percent of the servers have completed alcohol awareness training.

The training is important because even experienced servers and police officers accustomed to making alcohol-related arrests tend to underestimate the degree of intoxication during its early stages.

The training will increase your servers' chances of cutting off an imbiber before he becomes a drunk, and it will increase your chances of surviving a lawsuit.

would be more costly than the settlement or for fear of what a sympathetic jury rooting for the underdog might do. "We're being nickeled and dimed to death," the head of one insurance company says.

Small Firms Face Sharp Cost Hikes for Insurance—If They Can Get It

One reason for the continuing growth in new suits is the rise in million-dollar verdicts, from one in 1962 to 360 in 1983.

Other causes include the proliferation in the number of this country's lawyers, of whom one-third have come into practice in the last five years. Attracting America's college graduates into the law is its lucrativeness, made so in no small part by the contingent fee system for liability suits.

Except for some Canadian provinces, nowhere else in the world but in America are lawyers allowed to charge a fee only if they win. In fact, to charge a contingent fee in France is a crime.

The "hit-the-jackpot" hopes raised by big jury awards and the "nothing-to-lose" attitude engendered by the contingent-fee system have been supported by other developments.

Distressing is the continued expansion of the concept of liability to justify large awards. For instance, a federal jury in Chicago awarded $850,000 in "hedonic damages" to the family of a man accidentally shot to death. The $850,000 was in addition to $750,000

NRA SURVEYS OPERATORS ABOUT LIQUOR LIABILITY INSURANCE

Restaurant owners and operators report they are having an increasingly difficult time obtaining liquor liability insurance for their establishments that serve beer, wine or distilled spirits. Some say the cost of such insurance is rising rapidly; others report they are encountering problems obtaining the necessary coverage.

Because the National Restaurant Association (NRA) wanted to discover just how widespread this problem is and what restaurateurs are doing to cope with the situation, NRA commissioned the Gallup Organization to survey restaurant operators about their liquor liability coverage.* The results of this survey are reported here.

Most have liquor liability insurance . . .

The vast majority of operators surveyed, 79 percent, reported they have liquor liability insurance for their units that serve alcoholic beverages. Only about two out of 10 said they did not have such coverage. For those who have liquor liability insurance, the cost is high. Respondents reported an average premium of $39,555 for coverage in the current fiscal year.

For those who presently have insurance, the past year or two have seen some dramatic changes. When asked, "Has your premium for liquor liability insurance increased in the past 12 months," seven out of 10 said "yes," and most said their premium had more than doubled. The average reported increase during the past 12 months was 110 percent.

Only about one-fourth indicated that their premium for liquor liability coverage had not increased in the past year. Some of these operators may have experienced increases in the prior year, however.

Many of those who reported a jump in their premiums have taken action to combat these increases. Fifteen percent said they have raised drink prices, and a similar proportion has instituted an alcohol awareness program. Some are looking for new insurance companies (9.1 percent), others have changed insurance companies (3.0 percent) and still others have lowered their coverage (2.4 percent). About eight percent report they have increased their support of lobbying efforts to change the laws. However, nearly half of those who have seen their liquor liability insurance

Has your premium increased in past 12 months?

Yes	69%
No	24%
Don't know	7%

**Based only on those who currently have liquor liability insurance.*
Source: NRA/Gallup Survey, November 1985.

Actions taken as a result of increased premiums*

Increased drink prices	15.2%
Instituted alcohol awareness program	14.5%
Looking for new insurance company	9.1%
Support lobbying to change the law	7.9%
Increased all menu prices	4.2%
Taken smaller net profit	3.0%
Changed insurance company	3.0%
Changed food and beverage mix	2.4%
Lowered coverage	2.4%
All other actions	12.4%
No action taken	46.1%

**Based only on those who currently have liquor liability insurance and whose premium has increased.*
Source: NRA/Gallup Survey, November 1985.

**The Gallup Organization interviewed 304 owners or managers of restaurant companies that have establishments serving beer, wine or distilled spirits. Only those who were knowledgeable about the conditions and costs associated with liquor liability insurance were questioned. All interviews were conducted between October 10 and November 20, 1985.*

awarded in compensatory and punitive damages.

"Very simply," said the presiding judge, "hedonic damages measure the taking away of the pleasure of being alive." Put another way, the $850,000 awarded the dead man's estate was the value the jury placed on the man's loss of the enjoyment of life.

All this leads to disrespect for our legal system as one aspect of it, service and product liability law, begins to look like a lottery.

Some results . . .

On the macro-economic scale, the abuse of liability law costs the U.S. billions of dollars in trade as U.S. manufacturers pay liability insurance premiums many times those paid by their overseas competitors. Microeconomically, 5.5 cents of every dollar American consumers spend now goes directly or indirectly for property and casualty insurance.

The new emphasis on protecting oneself from lawsuits has led to economic inefficiencies as, for example, doctors overprescribe and architects overdesign. Promiscuous litigation has driven up the cost of everything while adding nothing to America's gross national product (GNP).

Another aspect of the problem is the loss of services. Several doctors have stopped practicing obstetrics, an especially high-risk specialty. Many members of the clergy have stopped visiting homes for fear of being charged with seduction and being sued; others have stopped giving specific advice, fearing their legal liability if the advice proves wrong. And, as certified day-care centers close because they can't afford liability insurance, parents are left to choose from among uncertified as well as uninsured centers.

Still another loss is that some of America's best legal minds choose this non-productive but highly profitable pursuit, instead of going into, say, public service.

Finally, justice is often not served. Responsible suits are delayed years while the irresponsible ones are winnowed from court calendars. Then, when worthy victims finally win, they get to keep on average less than half of their compensation, with lawyers taking most of the rest.

A look at possible solutions . . .

For all those problems, there are solutions that don't require "killing all the lawyers," as suggested in Shakespeare's *King Lear.*

Some argue that a good place to start would be to limit the contingency-fee option to make it more reflective of the time, effort and skill an attorney puts into a client's case. By limiting rather than eliminating contingency fees, America's unique access to its courts for its poor can be preserved.

Putting a reasonable maximum on all court awards and putting an end to awards for punitive damages to the defendant would take away the incentive for lawyers to file lots of suits in the hope of "hitting it big" with one. If justice calls for the defendant to be punished for maliciousness, some have suggested that the punitive damages go to the state or to charity.

Making plaintiffs who lose their suits bear some or all of the defendants' costs would make plaintiffs reluctant to file frivolous suits. Making plaintiffs pay damages for misstatements of facts to further their suits would make the plaintiffs more responsible and also would result in less irresponsible suits.

If mediation, in which a third party tries to arrange a settlement, was made compulsory before bringing a case to court, a lot more cases would stay out of court. Mandatory and binding arbitration for small claims would be a big timesaver, too.

Altering the judicial doctrine of joint and several liability would bring relief to joint defendants who sometimes bear a small share of the fault for an injury but must pay most or all of the judgment. The doctrine makes any one of several defendants, who jointly cause an injury, liable for all the damages. In theory, that defendant would be reimbursed by the other defendants.

Finally, curbing abuses in legal procedures would curb unscrupulous lawyers. As an example, the discovery process is sometimes used not to aid in redressing a grievance but to discover if there is a grievance for which a suit can be filed.

There are other solutions to the problem of promiscuous litigation, solutions that need not result in Americans giving up the right to their cherished day in court.

Whatever solutions are agreed upon, they should be implemented with all deliberate speed. The longer they are delayed, the more America becomes a suing society in which the cost of everything is driven up as trust between individuals is driven down.

If the day comes when justice for all means everybody is suing everybody, then there will be justice for nobody. ❑

***Editor's Note:** *For a more indepth analysis of the problem, don't miss "National Symposium: The Crisis in Product & Service Liability," sponsored by Pennsylvania State University in conjunction with the National Restaurant Association on January 29 in Washington, DC. For further information, contact NRA at 311 First Street, N.W., Washington, DC 20001 or call (800)424-5156 (toll free) or (202)638-6100.*

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premium rise reported they have done nothing to counteract this increased expense.

Giving up serving beer, wine or alcohol is not a viable alternative for most operators: More than nine out of 10 operators said they would not discontinue serving beer, wine and cocktails. Only eight percent said they had considered giving up their alcoholic beverage service.

Majority have never been party to a liability suit . . .

Nearly all operators surveyed (91.6 percent) who presently have liquor liability insurance reported they have never been party to a liquor liability suit. For most of those who had been party to such legal action, it has been more than two years since the suit.

Many had liquor liability coverage in the past . . .

NRA asked operators who do not presently have liquor liability coverage whether they had ever had such coverage and why they no longer have it. Three out of 10 operators reported that at one time they did carry liquor liability coverage, but have dropped it because of the expense. On the other hand, about six out of 10 operators who do not have coverage said they had never had it. The reasons given: No need, too expensive or not required by law to have it.

—Bette Hoyt

HOW TO STEP INTO CATERING WITHOUT FALLING FLAT

Catering provides restaurants with increased exposure, efficient kitchen use and an additional profit center. But a restaurateur cannot enter the catering market naive to the potential problems and additional management demands.

by Jim Errant

We made our first tentative steps into the mysterious world of catering a little over a year ago. It began with a request from a personal friend to handle her class reunion, planned for the center court of a suburban shopping mall in which we have one of our four Claim Company restaurants. Since the site was only an escalator away, it seemed like an easy way to add a few extra covers to an otherwise average night. Our company's executive chef, Daniel Harms, was recruited to design a custom menu. Staff from the Claim Company of Northbrook, IL, were trained in the fine art of banquet service.

Happily, the party came off without a hitch and, soon, the calls started rolling in. Reunion guests spread the word. The requests poured in—more reunions, a benefit, company picnics. It quickly became apparent to me that this new business was a logical extension of my restaurant group. In June 1984 it became a separate division, Chef's Catering, Inc., with Harms as both general manager and executive chef.

A year after its inception, we still use only in-house staff, whether it is for private dinners at home for 15 or business luncheons for 700. We have added banquet equipment and supplies slowly as needed, including the purchase of china and hot trucks from a closed local supper club. This expansion pace is, I think, critically important. Moving too quickly or taking on jobs that you are not prepared to handle can be devastating to your reputation . . . and your finances.

I have tried to be selective at the outset, accepting only those parties that offer good exposure and high profit. Catering really translates into another form of public relations, a way of reaching untapped clients for both your restaurant and your catering operation. And it is a means of diversification—bringing your services to clients in their homes and offices.

"Moving too quickly or taking on jobs that you are not prepared to handle can be devastating to your reputation . . . and your finances."

Before you start . . .

You need to take a look at your facility, your management and your staff to see if you can realistically diversify into catering. Then you need to examine the market. What is out there now? Who is the competition? Is there a need for the kind of service you plan to offer? Indeed, this kind of service should stem from what you are already doing well at your restaurant so you can enhance your positive reputation. Promise yourself that you will provide the same quality of service and food off-premise that you do in your restaurant.

Don't forget to set some long-range financial goals for the business—how far you expect to take it, what level of service you plan to offer, what level of investment you are ready to make. Look at the number of parties, their size and the markup necessary to be

9 Catering tips

Here are some tips for developing a small catering operation:

1. Thorough planning—with a site inspection—is the key to success. A restaurateur at his own establishment is in control of the facility, staff and product. A caterer can be out of control of these facets because the facility is temporary and may not be designed for large groups.
2. I view a party of 50 as 50 new and potential customers. Since guests at most parties cannot afford a catered party, at least they can be restaurant customers.
3. Find out what the other catering companies in your area are doing. What the market *doesn't* need is another me-too product.
4. Start small—do types of parties and events that are easy to handle before you expand to more demanding events.
5. Hire a chef or manager experienced in catering to join your staff. You will benefit from that person's past experience and expertise.
6. Ask the chef to be the salesman. Clients feel more confident about the outcome of the party when they can talk to the person planning the menu.
7. Throw in a little extra—nuts, candies, a dessert. Cover the cost, but make the customer feel he is getting something extra.
8. Make sure you are aware of the responsibilities of the host or party planner. If their end is not up to your standards, it will be obvious to guests.
9. Make up a crisis list and go over it with your management and staff members. Rehearse problems and solutions to every possible crisis.

"Catering really translates into another form of public relations, a way of reaching untapped clients for both your restaurant and your catering operation."

profitable in the long term. We have found that it is easy to be competitive in pricing and still maintain a good profit margin. Remember, your overhead is already paid for in your restaurant. You can realize considerable savings by using existing staff and preparation areas during off-peak restaurant hours. You can also save money by purchasing jointly for both operations and by sharing menu items.

Put systems in place . . .

Once you have decided to venture into catering, set up a separate company. This makes it easier to separate labor, licensing and other operating costs. Billing and internal controls become simpler, too. Ask your lawyer to draw up a standard catering contract. Develop job descriptions for everyone from the managers to the salespersons to the wait staff. Sign up for complete insurance coverage—property, liability, workman's compensation, automobile. Get the necessary licenses for selling liquor and food off-premise.

Sample menus, while primarily a sales tool, are an integral part of the systems approach. They allow you to plan your purchasing, preparation and service and help you set prices. Although forms seem to be the curse of doing business, you will need a whole new batch of them for your catering enterprise—food, beverage and supply forms; inventory forms; pricing formula sheets; prep sheets; standardized recipes; packing and transportation checklists as well as the many payroll forms.

Selling your services . . .

Only when you have *everything* you can think of in place should you begin the tricky business of sales solicitation. As with any business, you might have a wonderful product, but if you cannot sell it to the customer effectively, no one will ever know. Therefore, it is crucial to select the proper person to be your spokesperson and chief salesman. I chose my chef. I am lucky since he is personable, creative and experienced in professional catering. My customers love dealing with the person who will design their menus and make their meals.

You will need to have on-hand costs for all the services you offer and set an appropriate markup for services you buy from others. Will you offer floral services? Will you rent tables and chairs, arrange for entertainment, supply linen?

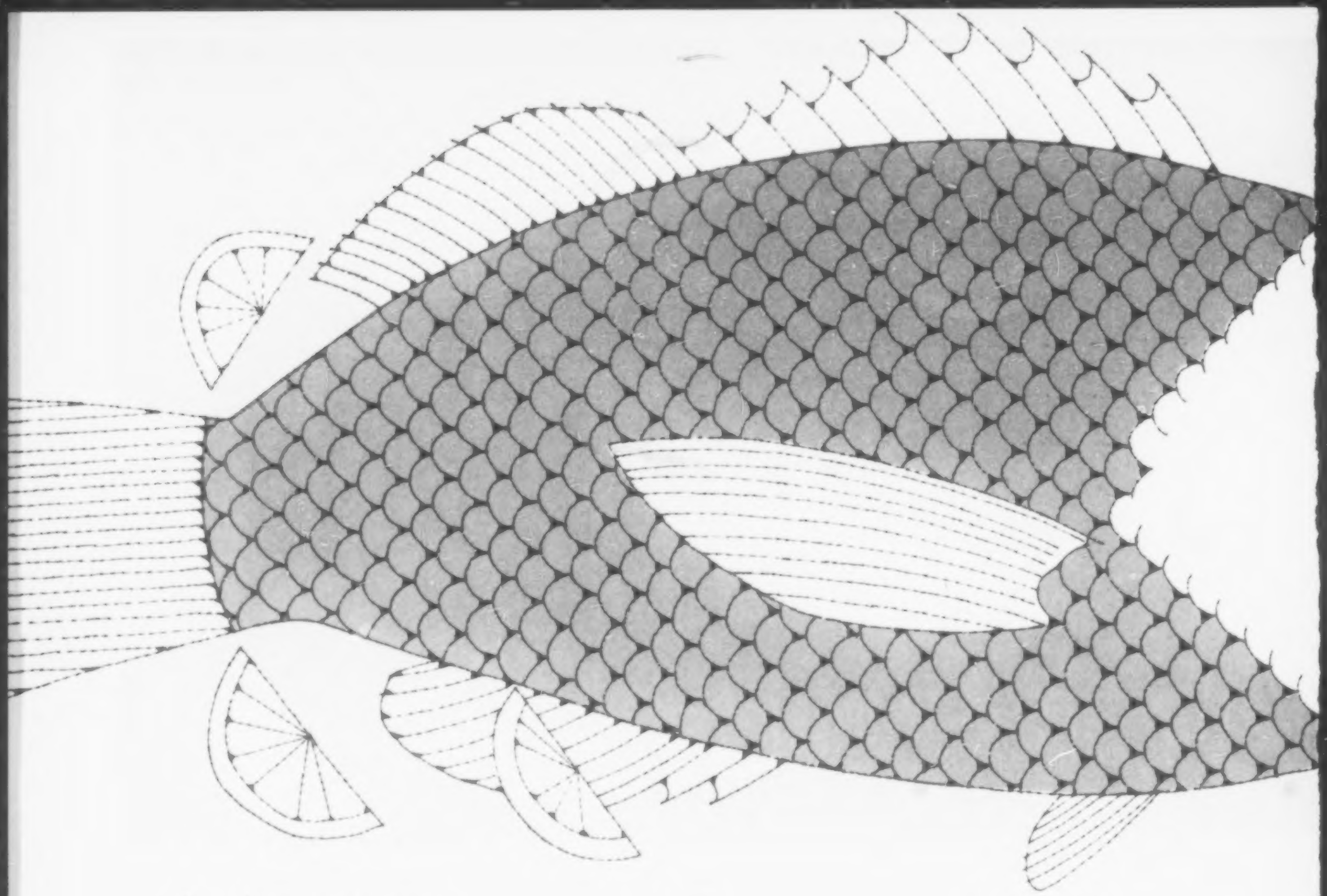
Keep handy a list of satisfied customers and their telephone numbers. Testimonials are one of the most persuasive sales tools.

We are selective about the parties we book. We interview potential clients closely. I think we save ourselves countless problems and unhappy customers when we do so. We physically inspect the party site to determine if the location is too far or too inaccessible. We find out if the budget is too small, the client too hard to please or the menu unworkable. If any of these are the case, we do not take the booking. Even though it is hard to decline, in some cases you may be the wrong catering company for the job.

Remember to follow up with a thank you letter, preferably over your signature. And put the party date in next year's tickler file for another booking. ❑

"We are selective about the parties we book. We interview potential clients closely. I think we save ourselves countless problems and unhappy customers when we do so."

This article is based on a presentation delivered at NRA's National Conference on Catering in November 1985 by Jim Errant, president of Errant Enterprises in Chicago, IL.



Nutrition & Fish: a succulent pairing

by Jacqueline Williams & Goldie Silverman

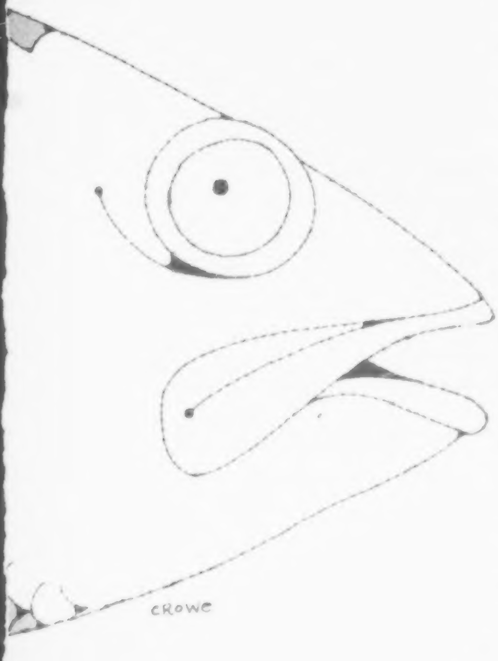
Alert restaurateurs are adding a new category to their menus—dishes low in fat and salt. Sharon Kramis, recipe developer for Restaurants Unlimited, a closely held West Coast chain which features an extensive selection of seafood entrees in its Cutter's and Horatio's restaurants, describes the movement as "part of moving into this decade." It is, she says, another service that a restaurant can provide. And if Restaurants Unlimited's experience is an accurate barometer, low-fat foodservice can be profitable.

Seafood plays a leading role in any restaurant's attempt to offer healthful dishes. Ounce for ounce, even the fattiest fish contain less fat than most red meat. But more importantly, recent research suggests that fish oil is unique among fats; besides apparently holding the key to a healthy heart, it may have a protective action that prevents clots from forming in blood vessels. In other words, a fish a day might keep the doctor away.

The message is getting across: More restaurant patrons are asking for seafood dishes and appetizers prepared in healthful ways. Sea Galley Stores Inc., a Seattle, WA-based chain in the middle of an extensive repositioning towards lighter fare, reports it now serves less than 15 percent of its fish fried. Even crab cakes, a staple in the Chesapeake Bay market area, aren't just for frying any more: Sea Galley says 50 percent of its customers in Maryland now ask for their crab cakes baked instead of fried.

The growing demand for more healthful fare means cooks no longer can get away simply with frying seafood or broiling it in a bath of butter. But what can they do instead?

Roland Henin, a creator of the seafood cookery curriculum at the Culinary Institute of America in Hyde Park, NY, recommends fat with flavor. Instead of cream or butter-based sauces on grilled, broiled or poached fish, Henin suggests using yogurt, vegetable purees, tofu, reduced fish stock, fresh tomato sauce, duxelles, fresh herbs or a delicate touch of spices. He also suggests adding crushed mustard seeds to reduced fish cooking liquid or steaming leeks in fish stock and then pureeing them with yogurt. Pureed roasted red or yellow peppers are another flavor enhancer he likes. Henin warns against heavy flour or cheese sauces which mask the delicate taste of fish.



Other cooks like to use fruit juice with fish. For example, they marinate firm white fish in orange juice mixed with sherry, garlic, ginger and dry mustard and then bake or broil it. Some like to use non-stick cooking pans. Thin fish steaks can be cooked quickly with little or no fat, perhaps just a dribble of a flavored oil, such as sesame or walnut, and then served under a light sauce.

Baked fish coated with a well-seasoned, crunchy breading can simulate fried fish without the calories. A basic recipe uses either cornmeal or whole wheat pastry flour, or a combination of the two, seasoned with parsley, chili powder, dry mustard or sesame seed. Dipping the fish in egg white and/or skim milk instead of whole egg and milk keeps the calories and cholesterol down. The coated fish bakes at a moderately high temperature for a short time. The only fat needed is a small amount of oil on the baking pan to prevent the fish from sticking.

Char-broiling and poaching are the two most popular methods for low-fat cooking. Exotic woods are the current rage, with a light sauce or fresh lemon presented alongside the finished seafood. Oilier species work particularly well on the grill because the oils they contain keep them from drying out. Don't be afraid to put a broiled fatty fish on your low-calorie menu. Remember that fish oils themselves are not the problem; it is the other fats frequently used in cooking that should be avoided.

Poaching, a classic method of cooking fish by gently simmering it in liquid, lends itself to restaurant cooking because the liquid can be prepared in advance and be ready to receive the fish when it is ordered. A poaching liquid can be as simple as lemon water or as complex as court bouillon. Gerard Lewis, menu planner for the ten-state Sea Galley chain, says that his kitchens keep both handy. He recommends a Mediterranean sauce as an accompaniment for low-fat entrees (see recipe).

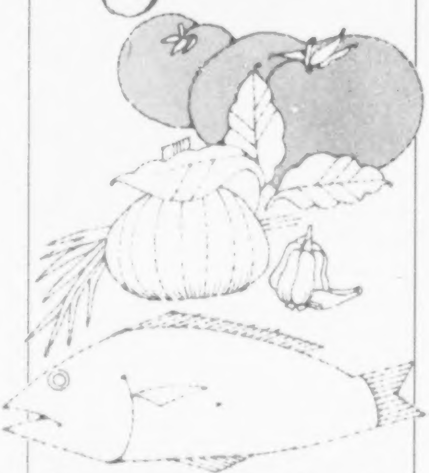
We asked Henin to give us some specific suggestions for preparing fish in advance so that it would be low in fat but still moist. He recommended four methods: (1) wrapping the fish in cabbage leaves, chard, spinach, filo dough or parchment paper; (2) serving *en casserole*, with the fish resting on a bed of cooked spinach, mushrooms and tomatoes, lightly brushed with a *mirepoix* or coated with crumbs and held in the refrigerator; (3) broiling marinated brochettes; and (4) stewing fish. Both the marinade and the stewing broth may be made ahead of time.

All fish, Henin emphasized, low-fat or not, should be kept cold through every stage of preparation until cooked *a la minute* and served immediately.

The species selected must also be appropriate for the cooking method. Brochettes require firm fish, such as shark or halibut, or shellfish, such as scallops, that can be cut into chunks at least one-inch square. Stir-frying is not often thought of for fish cookery, but species firm enough to hold together are excellent prepared this way.

Selecting an appropriate cooking method, preparing in advance with low-fat ingredients, measuring carefully and choosing the right species of fish are all important steps that allow a restaurant to take advantage of its clientele's demand for nutritious yet flavorful sea fare. But for low-calorie offerings to succeed, it is important to offer these menu options without disrupting the kitchen routine.

Mediterranean Sauce



6 tomatoes, peeled and chopped
½ teaspoon oregano
½ teaspoon thyme
½ teaspoon basil
1 teaspoon chives
2 green onions, finely minced
⅓ cup vermouth
1 tablespoon olive oil
½ teaspoon minced garlic
1 cup fish stock
salt and freshly ground pepper to taste

Combine tomatoes, herbs, onions and vermouth and simmer for 30 minutes. Saute garlic in olive oil. Add garlic and fish stock to vegetables, and continue to cook for 30 minutes or until sauce is thickened.

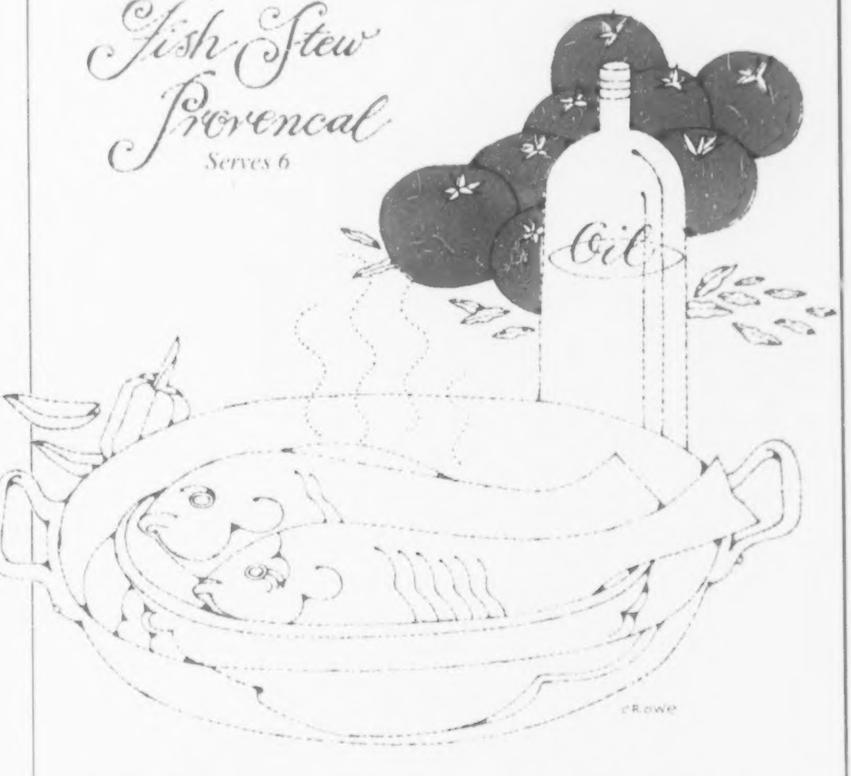
—*Courtesy of Sea Galley Restaurants*

Some restaurateurs mark certain choices on the menu with an emblem that means "heart healthy" or "light," while others simply state whether the fish entree was cooked without butter, seasoning or oil. Symbols vary: A small heart is popular for low-cholesterol or low-fat dishes, and a star is occasionally used to indicate low-sodium. Some restaurants don't mark the menu at all, preferring instead to adjust to their patrons' requests.

Odette Bery, owner of Another Season Restaurant (Boston, MA), likes guests to inform her of their special needs when they make their reservations. Then she can take time to fix a special dish, like a fish stew. Bery can also accommodate her pa-

Fish Stew Provencal

Serves 6



- 3 onions, peeled
- 5 cloves garlic, peeled
- 2 oranges
- ½ cup oil
- 1 gallon fish stock
- 12 tomatoes, peeled
- 3 tablespoons dried basil or thyme
- 5 pounds skinless haddock, pollock or cod
- 2 bunches parsley, washed and drained

Finely dice the onion. Crush the garlic. Seed the tomatoes and chop finely. Finely grate the rind of the oranges. Heat the oil in a two gallon saucepan. Add the onion and garlic and saute till the onion is clear, being careful not to brown. Add the orange rind, fish stock and tomatoes and basil. Bring to a boil and gently simmer for 30 minutes. While the stew is simmering, cut the fish into one-inch pieces, and sprig and chop the parsley. Just before serving, add the fish and parsley, and gently simmer for 5–7 minutes until the fish is cooked. Be careful not to overcook or the fish will break up. Season the fish stew with freshly ground black pepper.

Fish Stock

- 5 to 7 fish frames (no heads) of haddock or pollock
- 2 ounces butter
- 1 onion, peeled and sliced
- 4 stalks celery, sliced
- 1 large carrot, sliced
- 1 bay leaf

Clean the fish bones by rubbing salt into the bloody parts, then rinsing under cold water. (This dislodges the blood, which can make your stock bitter.) Heat the butter in a three-gallon stainless steel saucepan. Add the vegetables, cover, and gently saute, stirring occasionally, until the vegetables are soft. Add the bay leaf and the fish bones. Cover with cold water and bring to a boil. Gently simmer for five minutes. A beige-colored foam will come to the top; skim this off and continue to skim as the stock is simmering. Simmer for 40 minutes. Remove the fish bones and discard. Pour the stock through a fine sieve.

—Courtesy of Odette Bery,
Another Season Restaurant

trons by presenting fish from the menu in a low-fat method. But these adjustments take time and can be disruptive to the kitchen, as they were on a recent Saturday night when five customers asked for special preparations without advance warning.

At the Four Seasons Olympic Hotel in Seattle, WA, Executive Chef James Walsh says diners stopped asking for special meals after the hotel started its Alternative Cuisine program. Lunch selections from the Alternative Cuisine menu contain less than 450 calories, while dinners run under 650. The option is quite popular: 25 to 30 percent of all lunches and 10 percent of all dinners come from the new menu. More and more business people, Walsh says, prefer a light lunch before heading back for a long afternoon at the desk. Others choose the light meals so they can "bank the calories for dessert."

Whether a restaurant has a customer who needs to avoid all fats or one who just wants to save his calories, it is important to have a staff that understands the entire nutrition program and can answer questions about ingredients and preparation. Staff training programs must include enough information so waiters and waitresses can reply knowledgeably to customer requests. Service people should taste each dish so they can describe it to patrons in an appetizing way, with specific details on texture, flavor and method of preparation.

New menu items, new cooking methods and additional staff training may sound expensive, but they are not. Properly conceived and executed, they will bring a return on the investment well worth the extra effort.

The economic rewards of offering more low-fat fare are not lost on the foodservice industry; many chains are currently rewriting their menus—some are changing their names. Even some hamburger chains like Wendy's and Jack-in-the-Box have gotten the message: when the fat goes down, sales go up. ❑

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TO YOUR HEALTH

The difference between taste and flavor

The food ad proclaims, "great taste and flavor." These may seem like redundant terms but, technically, they are not. Humans perceive only four taste qualities—sweet, sour, bitter and salty—yet we are able to distinguish an endless variety of flavors. That is because flavor is actually the interaction of two senses: taste and smell.

A look at taste . . .

More than 10,000 taste buds are responsible for detecting the taste of food. Housed in the small bumps on the tongue known as papillae, taste buds are located on the top, back and edges of the tongue. Taste buds are also found on the soft palate, pharynx and epiglottis. Taste receptors have a short life, approximately 10 days, but they are constantly regenerating. That is why taste sensation is impaired only temporarily when the buds are burned by steaming hot food.

Although taste may be more often associated with flavor, smell is the more dominant of the two flavor senses. Olfactory cells not only are more plentiful—about five to 10 million in number—but they also are far more sensitive than the taste buds. Without smell, our ability to identify foods is reduced by 60 to 70 percent. For instance, apples and onions taste so much alike—sweet, sour and bitter—that in the absence of smell they could be confused!

These odor detectors are located in the upper nasal cavity, which is why we tend to sniff when trying to distinguish faint odors. Although seven primary olfactory stimulants have been classified, there may be up to 50 or more that contribute to the thousands of odors we are able to differentiate.

Fatigue diminishes intensity . . .

Both taste and smell are subject to fatigue or adaptation. When the sensory cells are exposed continuously to the same substance, the intensity of perception diminishes. We tend to become accustomed to flavors the longer the exposure time until we eventually do not even notice them. Smell adapts particularly quickly. Approximately 50 percent adapts during the initial few seconds of stimulation. Thereafter, the adaptation slows. Think of how the aroma of freshly baked bread fades to near extinction shortly after you enter a bakery.

Much attention has been paid to the developmental aspects of taste and smell. The human fetus' taste buds are mature by the 15th week of development. Since newborns exhibit a preference for sweets, the sweet tooth is believed to be innate. Other tastes take time to mature, but by the time they are two years old, children respond to salt and bitter tastes as well as adults do.

In contrast to taste perception, which is highly developed at birth, the olfactory system develops mostly after birth. Infants and toddlers do not react strongly to odors, but by the time they are five children can discriminate odors on an adult level.

Beyond the preschool period, taste and odor sensitivity do not develop much with age. Other characteristics, such as appearance, texture and psychological factors, become more influential in how we perceive flavor and react to food. Food may be rejected simply because its texture produces an unpleasant feeling in the mouth.

Also, we tend to develop certain expectations as we become familiar with different foods. Taste tests have shown that consumers who are accustomed to green-wrapped, storage-ripened tomatoes actually prefer this type over a vine-ripened tomato with superior flavor. Although some foods, like margarine, are more affected by color than others, a color change usually alters flavor expectation. For example, many think white chocolate tastes less chocolaty than brown chocolate.

The degree of hunger, too, can influence the appreciation for food. Hunger does not alter taste sensation, per se, but it can enhance the awareness of taste.

Both taste and odor perception begin to decline after 45 years of age, but smell is more vulnerable to age deterioration. The odor detection threshold for some foods is 11 times greater in old versus young people. These sensory changes account for the disinterest in food, which is characteristic of the elderly.

Nearly two million Americans experience disorders of taste or smell, many as a result of one of four illnesses: influenza, hepatitis, occult (hidden) cancer and head injuries. These illnesses produce secondary zinc deficiencies, which alter taste perception. Normal taste usually is restored after the illness subsides but sometimes not without zinc supplementation.

Although many of the factors that influence taste perception are beyond your control, there are a few you may want to consider.

- Not only are the taste buds more sensitive at warm temperatures, but hot food is more odorous than cold food. Therefore, warm foods seem more flavorful than cold foods. Keep this in mind when you taste foods, such as puddings or sorbets during preparation. The flavor can change when these items are served at a cooler temperature.
- Salt is a more effective flavor enhancer when added during cooking rather than after. This is especially important if you are trying to limit the salt in your food.
- If the majority of your patrons are elderly, you may consider overseasoning the food to compensate for the sensory deterioration that accompanies age.
- People tend to prefer foods due to familiarity rather than quality. It is helpful to know your patrons' preferences and expectations.

—Claire Regan, R.D.

Fisher's Law #68

Class reunion*

I recently attended a class reunion, which I'm not sure was a good idea. After you go to a reunion, you often wish you hadn't, and you really wonder if your classmates think you have changed as much as you *know* they have. Let me tell you about some of my classmates at the reunion.

Cal Luha was there, drinking coffee and talking with Persimmon Tee. Champ Agne came as it was a special occasion. Baby Peeze was still baby faced. Angel Hare was still thin. Pete Abred looked a little leathery. Stew Prunes was running all about. Fig Newton kept looking for his date and Garden Beets let everyone know he went to Harvard.

We had good representation from our athletes. The defensive line of the football team came together: Beef Wellington, Beef Brochette, Beef Rounds and Beef Pateeze. Al Ligator was a tough skinned kid as well. Courter Pounder, our quarterback, showed up as did our center, Red Snapper, and our tackles Pork Loin and Crown Roast. Our place kicker, Toe Mane, wired that he wasn't coming as he was sick.

A couple of my old basketball team mates were there as well. Shrimp Creole, the center, came with String Beenz, who brought his wife Lima. Our head cheerleader, Pepper Ony, came by and brought her husband Bull.

Our class had several marriages within it. Ham Burger married Barb Becue; Frank Furter, who is the same old hot dog, wound up with Chili Sauce; Potatoes O'Brien matched up with Pim Ento and Brock O'Lee fell for Hollan Daize.

We had three sets of twins in the class. Romaine Letus was there along with his brother Bibb, Porter House came as did his sister Parker, and it was good to see that Olive Oyl is still slick. But that brother of hers, Castor, is still hard to take.

It's amusing how impressions you had of people way back when spring to mind when you see them. Flo Rentine was an inexpensive date since all she ate was spinach. Julienne Karats is still a cut-up. Al Fabet is still in the soup as is Minnie Strony. Clams Casino turned out to be a gambler. Grape Punch was a boxer for a time. Terry Yaki is still spicy as is Basil Leef. Raz Berry was always red faced, and Ann Chovies still talks about Pete Zah. Moe Zarella is a big cheese somewhere. Bain Marie is still in hot water. Quiche Lorraine is now macho and Clam Chowder still doesn't talk much. Sweet Breds was always the brainiest kid. Sue Chini still seeks popularity and Po Tatoes is his same old starchy, healthy self.

A number of the girls came, notably Sassa Frass (who always talked back to everybody) and Saffron Rice, who is still bright and colorful. Sugar Kane is still sweet, Selzer Water still sparkles and Kavi Yar still has expensive taste and probably should have married Oysters Rockefeller or Phil Lemignon. Coco Nutt is still a little flakey. Marcia Mello still has that soft voice and Pearl Onyons was crying as always.

Some people never seem to change. Tom Ato still hangs around with Bay Conn (who looked a little porky) and the Letus brothers, Romaine and Bibb. Water Mellon is still a little seedy, but big and likeable. Peaches Flambe is still volatile. Bananas Foster has an incendiary disposition. You still have to approach Eggs Benedict very carefully, and the same is true of Sue Flay. Caesar Salad, who married a girl named Waldorf, still looks very romanesque. Anne Neeset will never change, and Pepper Mynt will always be easy to digest. Red Wyne still looks full bodied. He married a girl named Rose. Reuben Sanwych is the same old Reuben he always was.

Some people inevitably turn out differently than you expect. Carney Vore is a born again vegetarian; MacIntosh Apple is now big in computers. Al Fredo became very popular as did Artie Choke. Cheri Cobbler married a shoemaker, and Lem Onade is making a comeback. Sam Monstake is big in the Northwest, and Hominy Gritz moved to the South. Wiener Schnitzel went to Germany, and Burr Ito is doing big things in Mexico. Sal Monella didn't turn out well at all, however.

Pi Krust is in the dessert business, and Tom Turkey and Gefilta Fish are business partners in a meat packing operation. Sy Rupp covers a lot of things, and Mack Aroni shows up in a lot of different places as does Van Nella. Gus Pacho is a little cold, but Al Mondine is a good soul.

Jose Cuervo wrote a song about himself (what would you call that—autobiolyrical?). Some of the other guys—Jim Beam, Johnny Walker, Jack Daniels—have all aged very well, and Bud Wizer, Tom Collins and Brandy Alexander are the same responsible group they always were. They told me that Herb Senspices just opened a condiment business.

After the reunion we all went over to the old hang out, Anty Pasto's, who is still married to that Crab Louis.

Well, it's time for **Fisher's Law #68. Tilt! Error message! Tilt!** (Are you kidding? No one could make a Fisher's Law out of this!)

**Written with the assistance of Yvonne Fisher and Joan Campbell.*

Consumers spend more on eating out

Although the proportion spent on food away from home has increased for many consumer segments, certain groups typically spend more than others. This article, based on the Consumer Expenditure Survey 1982–83,* *presents a detailed look at who is spending what for restaurant meals.*

Americans love to eat out. Whether in celebration of a special event or as a fast alternative to cooking at home, eating out continues to play an important role in consumer lifestyles.

However, today's restaurant patrons are more demanding—they expect high quality food and a varied menu. As a result, restaurateurs have become more innovative. Their success in appealing to a wide range of consumer tastes and preferences is evident in the increasing amount consumers are spending on eating out.

Summary . . .

The proportion of total food dollars spent annually on eating out has risen—from 28.1 percent in 1972–73 to 32.4 percent in 1980–81 and to an even higher 36.0 percent in 1982–83. According to NRA, when travel food expenses and institutional foodservice sales are included, the share of total food dollars spent on restaurant meals and snacks exceeds 40.0 percent.

In 1982–83 the typical American household spent $55.11 per week on food. Food at home expenditures reached $35.51 per week in 1982–83 and accounted for slightly less than two-thirds of the total. Weekly food away from home expenditures totaled $19.60 and represented 35.6 percent of the average household's weekly food budget.

The average household spent 19.9 percent more on eating out in 1982–83 than in 1980–81 or 7.6 percent after adjustments are made for menu price inflation. **

[illegible]

Household characteristics	**1980–81**	**1982–83**
All households	**$6.29**	**$7.84**
Age of household head		
Under 25	$6.94	$8.52
25–34	6.63	7.79
35–44	6.03	7.43
45–54	6.80	8.29
55–64	6.39	8.43
65 and older	4.98	6.10
Household income		
Less than $5,000	$4.42	$5.95
$5,000–$9,999	4.01	4.41
$10,000–$14,999	5.80	5.40
$15,000–$19,999	5.93	7.09
$20,000–$29,999	6.96	7.59
$30,000–$39,999	9.33*	9.52
$40,000 and over	na	12.70
Household size		
One	$11.59	$14.14
Two	8.15	10.10
Three	5.93	6.51
Four	5.14	6.83
Five	4.36	4.92
Six or more	2.97	3.15
Region		
Northeast	$6.41	$8.00
Midwest	5.79	7.11
South	6.42	7.58
West	6.92	8.94

**Represents per capita expenditures for households with annual incomes of $30,000 or more.*

Source: *Consumer Expenditure Survey: Diary Survey, 1982–83,* Bureau of Labor Statistics, 1985.

Weekly food at home expenditures, on the other hand, increased a slower 4.0 percent over the same period. This translates into an inflation-adjusted decline of 3.7 percent.

Middle-aged householders spending more . . .

Middle-aged householders are spending more on eating out than other age groups. For example, households headed by individuals aged 35 to 44 and 45 to 54 spent an average of $25.20 and $25.70 per week, respectively.

Members of these groups may spend more on eating out because they enjoy relatively high annual incomes.

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*The Consumer Expenditure Survey 1982–83 *is part of an ongoing program developed by the Bureau of Labor Statistics to track consumer expenditures. From 1888 to 1980, these surveys had been conducted approximately every 10 years. Since 1980, they have been conducted annually in order to monitor consumer expenditure more closely.*

BLS includes diary surveys that are completed by consumer units for two consecutive one-week periods. In 1982–83, 5,000 households were surveyed. Only urban consumers are represented. Students living in college housing report their own expenditures directly instead of having them reported by their parents. Expenditures incurred while away from home overnight or longer are excluded.

***NRA wants to point out that the strong economic recovery of 1983 influenced consumer spending habits during the two-year period covered by the BLS surveys. In 1980 and 1981 the economy was in a recession, while in late 1982 and in 1983 the economy entered a boom period. As a result, consumers tended to increase their eating out frequency and their spending for restaurant meals more dramatically than they would normally. NRA believes that the increase in the proportion of the food dollar allocated to restaurant meals and snacks will continue. However, the rate of increase will not be as rapid as that indicated from these two expenditure surveys.*

Finally, the term "householder" in this survey refers to the first member of the consumer unit mentioned by respondents as an owner or renter of the consumer dwelling. This differs from surveys prior to the 1980-81 survey when husbands were automatically considered the "head" of a household unit. The term "consumer unit" refers to households whose members are not always related, such as two singles living together.

They often have more than one wage earner and are often less in debt than their younger counterparts. NRA's *Meal Consumption Behavior* study has determined that both high income households and those with working wives or mothers eat out more frequently in one week than the average consumer.

In addition, according to the Bureau of Census, the number of adults between the ages of 45 and 54 is projected to increase 62.7 percent to approximately 37 million by the year 2000, making members of this group even more important future restaurant patrons.

Households headed by individuals between the ages of 55 and 64 have significantly increased their expenditures on restaurant meals also. Members of this group allocated 34.1 percent of their weekly food budget on meals away from home in 1982–83 compared with a lower 28.8 percent in 1980–81. In addition, the actual amount spent per week by these households on restaurant meals and snacks rose from $14.70 in 1980–81 to $20.31 in 1982–83.

Households headed by individuals age 65 and older spent the least amount per week on food away from home in 1982–83—$10.37. The proportion of total weekly food dollars spent on eating out for this group, however, has increased, from 24.3 percent in 1980–81 to 27.4 percent in 1982–83.

While older consumers are spending more on eating out, it is younger consumers who continue to allocate the largest proportion of their total food budget on meals away from home. In 1982–83, households headed by someone age 25 or younger spent $15.34 per week eating out. This represents almost half (47.4 percent) their total weekly food budget. Households headed by individuals between the ages of 25 and 34 also spent a larger than average proportion on eating out—$21.03 per week on restaurant meals and snacks in 1982–83 or 38.8 percent of total food expenditures.

Household characteristics	**1980–81**		**1982–83**	
	Amount	**Proportion**	**Amount**	**Proportion**
All households	**$16.35**	**32.4%**	**$19.60**	**35.6%**
Age of household head				
Under 25	$12.49	42.8%	$15.34	47.4%
25–34	18.57	35.8	21.03	38.8
35–44	22.31	32.1	25.26	35.4
45–54	21.09	33.0	25.70	34.5
55–64	14.70	28.8	20.31	34.1
65 and older	8.47	24.3	10.37	27.4
Household income				
Less than $5,000	$7.08	26.5%	$8.92	34.9%
$5,000–$9,999	8.43	24.3	9.26	26.1
$10,000–$14,999	13.93	31.4	13.50	29.1
$15,000–$19,999	17.21	31.5	17.73	33.5
$20,000–$29,999	21.58	32.7	23.17	35.3
$30,000–$39,999	30.78*	37.7	28.56	38.0
$40,000 and over	na	na	40.65	42.7
Household Size				
One	$11.59	44.8%	14.14	50.3%
Two	16.30	34.1	20.20	37.6
Three	17.80	31.0	19.53	31.4
Four	20.57	29.5	27.31	33.6
Five	21.78	27.5	24.58	28.0
Six or more	19.91	21.3	21.14	22.8
Region				
Northeast	$16.67	31.0%	$20.00	34.2%
Midwest	15.63	31.0	18.50	34.7
South	16.05	33.7	18.94	36.2
West	17.30	34.2	21.45	37.2

**Represents weekly expenditures for households with annual incomes of $3,000 or more.*

Source: *Consumer Expenditure Survey: Diary Survey*, 1982–83, Bureau of Labor Statistics, 1985.

Upper income families spend more . . .

Industry research has shown that higher income households eat out more frequently than do households with lower incomes. On average, consumers from households with incomes in excess of $25,000 eat out 4.3 times per week versus only 2.9 times for households with incomes less than $15,000, according to NRA's *Meal Consumption Behavior.* Data from BLS' consumer expenditure survey show that this frequency translates into more dollars being spent in restaurants. For example, consumers with incomes in excess of $40,000 spent more both in dollar amounts and proportionately than do other income groups. In 1982–83, households with incomes of $40,000 or more spent an average of $40.65 per week on restaurant meals and snacks, accounting for 42.7 percent of their total weekly food budget.

Consumers with incomes between $30,000 and $39,999 per year also spent a considerable amount on meals and snacks outside the home in 1982–83—$28.56 per week or 38.0 percent of weekly food expenditures. Although this is below that spent for households with annual earnings over $40,000, it is substantially above the household average of $19.60.

Households with high incomes are an important target market for restaurateurs. According to *American Demographics* magazine, by 1995 almost 19 million households will be earning more than $35,000 per year. NRA research reveals that these individuals are more likely to have tried various specialty concepts, including sushi, gourmet hamburgers and diet/lite menu items. In addition, because many of these families are two earner households with children, they place high priority on convenience.

Singles biggest spenders . . .

On a per capita basis, singles spent the most on eating out in 1982–83, allocating just over half (50.3 percent) their total food budget to meals and snacks away from home. This represents a substantial increase over 1980–81 when singles spent 44.8 percent of their weekly food budget on eating out. The average single household spent $14.14 weekly on restaurant meals in 1982–83, which translates to $735.28 annually.

Recent NRA research indicates that single consumers eat out more often in one week than the average individual, 4.3 times versus 3.7 times. They are frequent patrons at fast food establishments, underscoring their desire for convenience and relatively low priced meals. They also are adventuresome diners, expressing willingness to try new concepts and various ethnic dishes.

Two-member households allocate a large proportion of their annual food budget on meals away from home. More than one-third (37.4 percent) of their overall food expenditures in 1982–83 went for restaurant meals. In addition, members of this group increased their per capita away from home food expenditures more than did any other household group, from $8.15 per week in 1980–81 to $10.10 in 1982–83.

Married couples spent a slightly larger amount on eating out than other two person households. In 1982–83, these individuals spent $21.30 per week on restaurant meals or $10.65 per person.

Larger households spent a lower than average amount on eating out—$3.15 per week per person in 1982–83, less than half the $7.84 average for all households. Also, households with six or more individuals allocated only 22.8 percent of overall food expenditures for food away from home in 1982–83 versus a much higher 35.6 percent for all households. Conversely, these large households spent the most per week on food at home, $71.58.

When they do eat out, however, families with children are more likely to visit fast food and family style restaurants, which are convenient and offer good food at low and moderate prices.

Regional data . . .

The amount spent on food away from home varies slightly from region to region. Households in the Northeast and West spent an above average amount on restaurant meals and snacks in 1982–83 ($20.00 and $21.45 per week, respectively) while below average expenditures were recorded for the Midwestern and Southern regions—$18.94 and $18.50 per week, respectively.

In addition, households in the West allocated the largest proportion of their total weekly food dollar on eating out—37.2 percent. Southern families, ranking second, allocated 36.2 percent of their weekly food budget on eating out and Midwestern households spent 34.7 percent of their total weekly food dollar on restaurant meals. The region with the lowest dollar proportion spent on food away from home was the Northeast—34.2 percent.

—Sallie Adams

Focus group research

What consumers are saying about dining out

*What do customers like or dislike about their restaurant meal? What restaurant concepts do patrons like best? What role does eating out play in a customer's daily life? These are just some of the questions the National Restaurant Association asked participants in a series of focus groups last September to determine patron attitudes toward eating out as well as likes and dislikes about restaurants.**

All focus group participants indicated that they find dining out an entertaining experience. For younger adults the restaurant meal is an alternative to "being bored" at home as well as a good opportunity to get together with friends. While baby boomers and older adults appreciate that eating out is a way to socialize with friends, they also find that it provides an opportune time to be alone with their spouses.

Many respondents said they eat out to escape the drudgery of cooking. They like the fact that there is no preparation involved and no mess to clean up at a restaurant. In addition, they feel it is "nice to have someone wait on you."

Also high on the list of pluses is the variety of menu choices. Respondents said they liked to eat food that is different from what they would ordinarily eat at home, and they enjoy being free to select the particular items they like.

Convenience is also an important attraction of dining away from home. A quick meal at a reasonable price is important to many, especially 18 to 24-year-old participants.

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* *With the help of the San Francisco-based market research firm of Matheson and Matheson, NRA organized nine focus groups in five metropolitan areas: Los Angeles, CA; Dallas, TX; Minneapolis, MN; Boston, MA and Atlanta, GA, between September 9 and 12, 1985.*

Consumers representing three distinctive demographic segments were selected as panelists for this study: young adults between the ages of 18 to 24, non-YUPPIE baby boomers 25 to 39 years of age and 50 to 64-year-olds. Income and job descriptions were also factors in the selection process. Other prerequisites included at least one visit to a fast food establishment and one visit to a sit-down restaurant within the two weeks prior to the focus group and the purchase of take out food from a restaurant, fast food outlet, supermarket or convenience store within that same time period.

Service is important . . .

Poor service is a real "turn off" for most participants. For example, baby boomers reveal that even if the food is good, terrible service is enough to ruin their evening. Older consumers find that "a waitress who bugs me all the time" is a real nuisance, while waiting in line to be served is a sore spot with younger adults.

As one participant remarked, "Being a good waiter is an art." What makes a good impression is the waiter or waitress who can pick up on the customer's mood. "If they know you're having a good time and become part of it, then it's great. If they recognize that you want to be left alone, that's great, too," said one respondent. Younger adults are also impressed when the wait personnel "act like they are having fun, not just like they have a job to do and want to get it over with."

> **"If it's a high buck restaurant, you don't notice [price]. If it's a middle range restaurant, you pay more attention."**
> ***—25 to 39-year-old***

Comments by restaurant type . . .

Consumers like restaurants that make them feel special, and midscale independent restaurants fit the bill. They are recognized as having good food and service at a reasonable price. Participants indicated that because these restaurants are, for the most part, family-owned there is a personal touch that makes them want to come back.

Ethnic restaurants, especially with Mexican and Asian menus, are hot concepts with all groups. Independent establishments seem to be preferred over chain operations.

Chain/theme restaurants get mixed reviews. These establishments appeal to members of the focus groups because they offer a diverse selection of menu items, good service and a pleasant atmosphere where customers can have fun. On the other hand, chain/theme restaurants have their drawbacks—service can be depersonalized, and some participants described the food as monotonous and mass produced.

Convenience is the primary attraction of fast food. Young adults are most likely to patronize fast food restaurants because they can get a quick meal of "predictable" quality at a reasonable price.

Other complaints include:

- the food is frozen,
- the food quality and service varies greatly within the same chain,
- there are too many fried foods and
- there should be a greater variety of menu items, especially more vegetables and salad bars.

Upscale establishments are regarded as the place to go for a special occasion. Participants from the 18 to 24-year-old groups, however, often feel uncomfortable at this type of establishment because of the dress code and high prices.

A look at the competition . . .

Focus group participants were particularly impressed with the quality, variety and cost of the foods available at supermarket take outs. In particular, the supermarket salad bar is a big hit with those queried.

Convenience stores, however, received low marks from all focus group participants. Many revealed that they only patronize this type of establishment "when nothing else is open." Food quality received especially low ratings as participants indicated that it is "really just frozen food" that is heated in a microwave. In addition, some complained that the food items are overpriced.

> **"Dining out is when my spouse and I have our best conversations."**
> **—50 to 64-year-old**

Role of the restaurant in consumer's daily life . . .

Participants of all ages rely on eating out as a way to socialize. As one baby boomer stated, "It's the only time I get together with friends." In addition, some also look at their restaurant meal as a form of relaxation. According to one person in the 50 to 64-year-old segment, dining out "is when my spouse and I have our best conversations and are the most relaxed."

Eating in a restaurant is important to some participants because it means they don't have to cook. For example, younger adults revealed they eat out "because they have to; they have no time to make their own meals."

Eating out adds spice to consumers' lives. Consumers like the variety of restaurant concepts to choose from. As one baby boomer put it, "It's just not grits and cornbread in the South anymore; a lot of different foods are available."

Eating out gives many a chance to eat dishes that they would not ordinarily prepare at home. Among the foods that participants order when dining out are: lobster, all types of fish, sushi and ethnic cuisines, including Chinese, Italian and Mexican. In comparison, when at home, participants prepare simpler dishes, such as ribs, steak and chicken.

> **"Non-alcoholic beverages are for kids."**
> ***—18 to 24-year-old***

Price—when it is important . . .

Price is a concern. In fact, expense was listed by participants in all groups as one of the reasons they do not eat out more often. As one young adult stated, "I'd eat out all the time if I had the money."

The importance of menu price varies depending on the occasion and restaurant type. For example, both older adults and baby boomers indicated that "for special occasions, you're willing to spend a little more." Additionally, one of the participants in the 25 to

39 age group noted that "if it's a high buck restaurant, you don't notice [price]. If it's a middle range restaurant, you pay more attention." Furthermore, young adults revealed that menu price is important depending on the meal they eat. One person in the 18 to 24-year-old segment remarked, "Lunch time you don't go to an expensive restaurant. [At] dinner, price doesn't matter."

Also, when participants perceived that their meal was a good value, price was less likely to be important. Both baby boomers and the 50 to 64-year-olds remarked that "if food and service are good, you're less concerned about price." But many respondents, particularly the 18 to 24-year-olds and baby boomers, indicated that price was an important factor right before payday and during the week. In fact, one young adult said that "if you can't afford a restaurant, you don't go."

> **"I see restaurant signs. If one looks interesting, I'll try the restaurant."**
> ***—25 to 39-year-old***

A word of caution

It is important to keep in mind that the information presented here is based on a qualitative study of a limited number of consumers. This information is in no way indicative of the behavior and attitudes of all consumers or the behavior and attitude of any demographic group involved in this study. Rather, this information should be used as a guide to better understand what motivates consumers to eat in a restaurant and their feelings toward their dining experience. Furthermore, the results of this preliminary survey will serve as the foundation for an indepth, quantitative study of consumer attitudes and behavior.

What trends are important . . .

Although participants recognize the importance of diet and nutrition in their lives, many admit that they throw caution to the wind and splurge when they eat a meal away from home. One young adult reported, "I just want it to taste good and fill my stomach; I don't care about nutrition when I go to restaurants." Another older consumer said, "When I go out to eat, the last thing I worry about is cholesterol."

Other consumers, however, did express concern about their diet. According to one of the 25 to 39-year-olds, "I don't eat out more often because, when I do, I eat too much fat and too much food." In addition, some mature adults said they do watch calories and cholesterol intake when dining away from home.

On the other hand, many baby boomers said they restrict the amount of red meat they eat as opposed to maintaining a strict, meatless vegetarian diet. They opt for more chicken, fish, fruit and vegetables.

Salad bars are a big hit, according to those who were part of this qualitative research project. Customers like the variety of items salad bars feature so they can have the type of salad they want. Many also were pleased with the different and more unusual types of vegetables now being offered.

Appetizers have caught the attention of many consumers, especially the 18 to 24-year-old crowd. These participants said they are likely to make a whole meal out of appetizers: "Sometimes I have the salad bar and appetizers; that's dinner," said one respondent. However, mature adults expressed very little interest in appetizers. One respondent explained, "I used to order them, but it's too much food."

Like appetizers, "freebies" were most popular with the young adults who claimed "they are starchy and absorb the alcohol." Furthermore, many of these consumers like to make a meal of them. "Freebies," however, do not make as big an impression on baby boomers or mature adults.

Participants from all three age groups are cautious when they drink, but the idea of a non-alcoholic drink as an alternative to alcoholic beverages was not well received. One person in the 18 to 24-year-old category commented: "Non-alcoholic beverages are for kids." And a baby boomer expressed a similar sentiment, "I don't like fake drinks, I'd prefer iced tea." In addition, several complained that "I don't like paying as much for a non-alcoholic drink."

> **"When I go out to eat, the last thing I worry about is cholesterol."**
> ***—50 to 64-year-old***

What motivates customers to try new restaurants/menu items? . . .

Participants from all groups said that their decision depends on a variety of factors, including:

- friends who have tried it
- restaurant critic reviews
- advertised specials; coupons and
- being tired of the places they usually visit.

In addition, a few participants revealed that they are very adventuresome when deciding upon where to eat. They will try an establishment based on only seeing the restaurant as they drive past. One respondent between 25 and 39 years old said, "I see restaurant signs. If one looks interesting, I'll try the restaurant."

A return visit, however, requires satisfaction: good food, service and atmosphere as well as a positive price/value relationship and an overall good feeling about the experience.

Focus group participants also agreed on the reasons why they experiment with new menu items. Among the reasons cited were:

- if it is a special,
- if the waiter or waitress recommends it,
- if a friend recommends it,
- if it sounds good or looks good on someone's plate or
- if it piques their curiosity.

However, participants indicated they are more choosy the second time around. They will only order an item again if it tastes good or if the price is reasonable.

—Susan Adelman

Upbeat outlook for food costs in 1986

This article highlights USDA's latest commodity information and food cost and supply outlook for the months ahead. The information presented here is based on reports presented by many of USDA's leading economists at the Agricultural Outlook Conference in Washington, DC, December 3–5, 1985.

The outlook for wholesale food costs in 1986 looks promising. Moderate inflation, relatively steady consumer demand and ample food supplies should result in relatively low increases in food prices at the wholesale level, according to economists at the U.S. Department of Agriculture's (USDA) Agricultural Outlook Conference.

The National Restaurant Association is also anticipating moderate wholesale food cost gains in 1986, up 2.5 percent versus the 1.8 percent decline expected for 1985. Slightly higher inflation and increased prices for beef, pork and eggs in 1986 will cause the larger jump in overall wholesale food prices.

Overall retail food prices are forecast to rise between two and four percent this year, according to USDA. Additionally, grocery store food prices should advance one to three percent, while menu prices are projected to climb a higher three to five percent. NRA has forecast a 3.9 percent advance in 1986 restaurant meal prices.

Percent of total cost of food purchases paid by restaurants

Commodity	Percent
Beef & veal	24.8%
Dairy products	11.9
Vegetables	9.6
Bakery products	9.2
Fish & shellfish	9.2
Other meats	8.7
Poultry & eggs	6.4
Beverages	5.6
Sugar & sweets	4.2
Fats & oils	3.0
Fruits & juices	2.1
Flour & cereal	1.3
Other	4.1

Source: National Restaurant Association

To help calculate how commodity price changes can affect overall food costs, here is a breakdown of the major commodities and the average proportion of total food costs they account for.

Beef supplies on the decline . . .

Beef production will decline in 1986. Lower feed costs due to large grain and forage supplies will influence farmers to cut back on the number of cattle they send to market. Instead, producers will retain cattle to rebuild inventories that had been drastically reduced during the 1983 and 1984 seasons when widespread droughts, poor livestock returns and the need to generate cash flow caused farmers to reduce their herds. As a result of reduced supplies, prices should strengthen.

Beef highlights

- Overall beef supplies are expected to decline 7.2 percent this year to 21.8 billion pounds and farmers are expected to reduce the amount of cattle they send to market. However, production may rise if producers are unable to keep dressed weights down or if farm legislation is passed that would force dairy farmers to reduce their herds.
- In the first half of the year, beef supplies should reach 10.8 billion pounds—a 6.9 percent drop from production of 11.6 billion pounds during the same period in 1985.
- In the first quarter of 1986 beef prices should reach $62 per cwt., approximating first quarter 1985's level. However, there should be a dramatic 14.5 percent jump in the second quarter when beef prices are expected to average $66 per cwt. compared with $57.66 per cwt. in the second quarter of 1985.

Pork production to dip . . .

Despite low production costs, pork producers are likely to reduce production in 1986. Poor returns and continued financial pressure will cause farmers to hold back expansion plans. As a result of reduced supplies, pork prices will probably rise.

Pork highlights

- Total pork production will reach 14.6 billion pounds in 1986, dropping 0.7 percent from 14.7 billion pounds last year.
- In the first half of the year, pork supplies should total 7.3 billion pounds, down 1.4 percent from the same period in 1985.
- Pork production in the second half of this year, however, should approximate the 7.3 billion pounds reached in the second half of 1985.
- For the year, prices are forecast to average $48 per cwt., a 7.9 percent increase over $44.50 per cwt. in 1985.
- During the first six months of 1986, pork prices should climb to $46.50 per cwt., representing a 2.9 percent increase over the $45.20 per cwt. recorded in the first half of 1985.

Poultry production on the rise . . .

Broiler and turkey production is projected to expand in 1986, according to USDA Economist Alan Baker. The reasons: Low feed costs, due to large supplies of corn and soybeans, increased consumer demand for poultry products and reduced supplies of red meat. However, prices should remain fairly stable throughout the year, as expanding production will be offset by declining red meat supplies and moderate economic growth.

Poultry highlights

- Broiler production should total 14.2 billion pounds in 1986, a 4.4 percent gain from 13.6 billion pounds in 1985 and a 9.2 percent increase over the 13.0 billion pounds recorded in 1984.
- Broiler supplies should record a 4.5 percent advance in the first half of 1986 to 7.0 billion pounds. In the second half, total production should climb to a slightly higher 7.2 billion pounds, a 5.9 percent increase over the comparable period last year.
- Broiler prices are expected to average 50 cents a pound in 1986, approximating the average for 1985.
- Overall turkey supplies are expected to reach 2.9 billion pounds in 1986, a 3.6 percent gain from 2.8 billion pounds the year before.
- During the first half of 1986, turkey production should be up 9.0 percent and total 1.2 billion pounds versus production of 1.1 billion pounds during the same period in 1985. In the second half, supplies are forecast to reach 1.7 billion pounds, matching the level reached in the same six month period in 1985.
- Turkey prices should weaken in 1986, posting a 14.9 percent decline from 74 cents a pound in 1985 to 63 cents a pound this year.

Egg production to decline . . .

Egg output is expected to decline in 1986, and prices will rise. Producers have been caught in a cost-price squeeze because of weak prices in 1985. As a result, they will reduce their supply of laying hens in 1986 by cutting back orders for replacement pullets and selling their least productive hens.

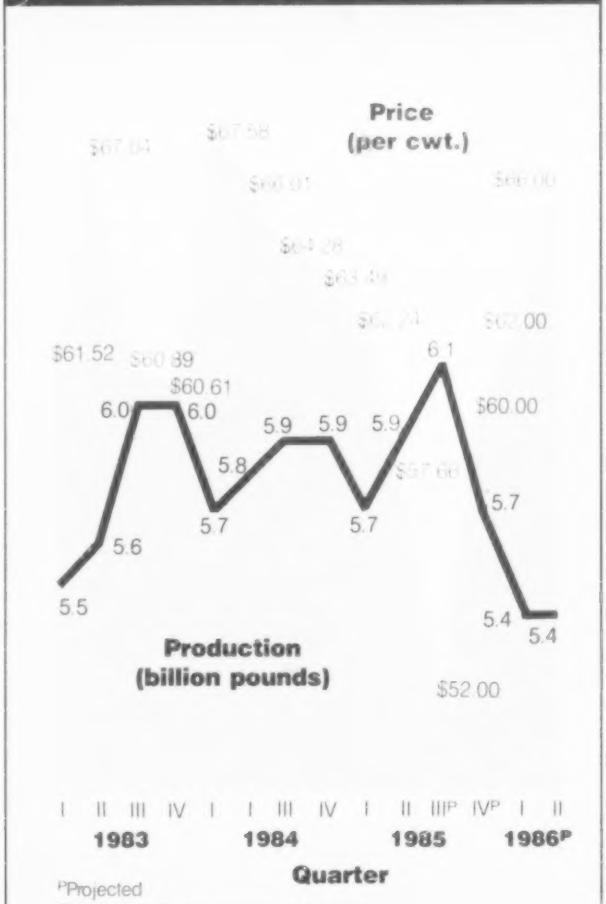
Egg highlights

- During 1986 egg supplies should fall from 5.7 billion dozen to 5.6 billion dozen, a 1.8 percent decline.
- Between January and June, production is expected to total 2.8 billion dozen, which mirrors production in the same period in 1985. In the second half of the year, production will also reach 2.8 billion dozen. This represents a 3.4 percent drop from supplies of 2.9 billion dozen in the last six months of 1985.
- For the year, egg prices are expected to average 70 cents a dozen, up 6.1 percent from 66 cents a dozen in 1985.

Smaller fruit supplies expected . . .

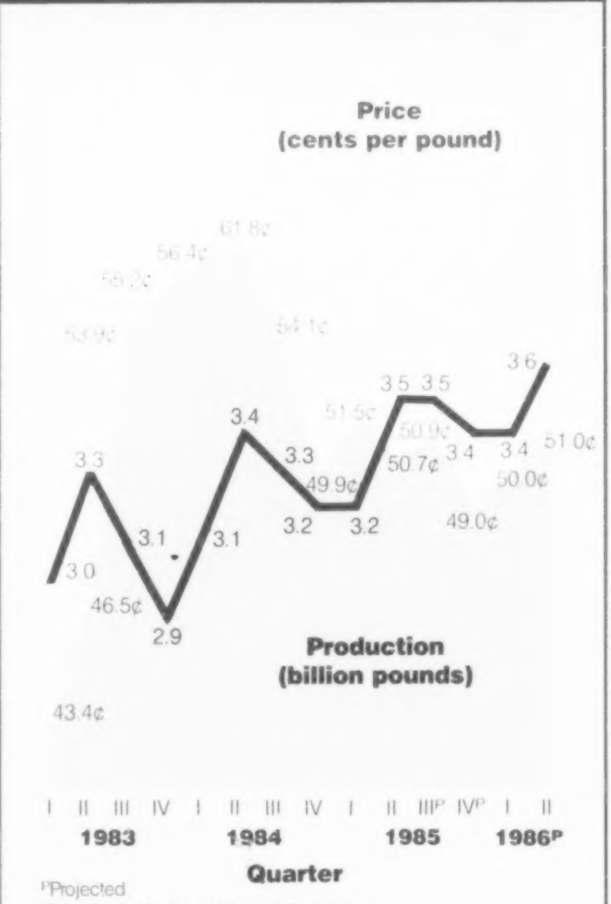
Overall fruit supplies are expected to be lower during the 1985/86 season than in

Beef production and prices (1983 through second quarter 1986P)



PProjected
Source: U.S. Department of Agriculture

Broiler production and prices (1983 through second quarter 1986P)



PProjected
Source: U.S. Department of Agriculture

Percent change in wholesale commodity prices 1977 to first 10 mos. 1985

	1977 to 1978	1978 to 1979	1979 to 1980	1980 to 1981	1981 to 1982	1982 to 1983	1983 to 1984	10 mos. 1984 to 10 mos. 1985
Bakery products	7.8%	10.0%	11.7%	8.3%	3.3%	3.2%	4.8%	4.6%
Flour & cereal	13.1	12.4	12.3	−7.0	−5.3	1.1	1.8	0.7
Beef & veal	28.4	24.7	3.2	−5.0	−0.8	−3.3	nc	−8.5
Other meats	16.7	−2.8	−2.7%	7.6	16.9	−8.7	−0.4	−1.7
Poultry & eggs	8.1	0.7	1.0	2.4	−6.7	3.2	12.0	−10.8
Fish & shellfish	6.4	22.6	−3.2	1.8	11.8	6.3	11.5	1.2
Sugar & sweets	6.6	6.9	35.4	−2.9	−2.6	5.0	2.4	−1.0
Vegetables	6.0	2.0	7.5	22.6	−4.4	1.2	8.4	−8.6
Fruits & juices	17.6	8.7	4.2	4.1	2.9	2.9	6.6	1.3
Beverages	−8.6	0.8	0.8	−2.3	4.5	1.3	5.2	2.0
Dairy products	8.6	12.1	12.1	6.4	1.3	0.6	3.6	−0.3
Fats & oils	6.1	6.4	6.4	2.1	−1.4	8.8	21.0	−4.2
NRA food cost index	**11.2%**	**12.2%**	**5.0%**	**3.0%**	**2.5%**	**0.7%**	**5.0%**	**−2.7%**
All food, producer price index[1]	**10.5%**	**9.5%**	**8.0%**	**3.1%**	**1.1%**	**1.1%**	**4.8%**	**−1.9%**

[1] Includes all processed foods (except soft drinks, alcoholic beverages and animal feeds) plus eggs and fresh and dried fruits and vegetables.

Sources: *Producer Price Index*, Bureau of Labor Statistics, NRA

the prior year. Although prices will strengthen as a result of reduced supplies and stable consumer demand, the gain should be moderate due to modest increases in food marketing costs.

Fruit highlights

- U.S. citrus supplies are forecast to reach 11.3 million tons during the 1985/86 season, up 7.6 percent from 10.5 million tons the year before. This gain can be attributed to a 27 percent increase in Florida orange production.
- Citrus prices should decline throughout the year, as increased supplies of oranges will dampen overall prices.
- Non-citrus fruit production, which includes major tree fruits and grapes, is expected to decline 1.6 percent during the 1985/86 season to 12.5 million tons. The decrease is expected to come from reduced summer fruit production.
- Production of both apples and pears will be down this year, 2.4 percent and 4.9 percent, respectively, resulting in higher prices for both these commodities. On the other hand, supplies of grapes are expected to rise 3.8 percent to 5.4 million tons, and this will mean weaker prices.

Vegetable supplies and prices down...

Commercial vegetable production is expected to decline in 1985/86 despite relatively stable demand. However, vegetable imports will pick up the slack and, as a result, prices are forecast to fall.

Vegetable highlights:

- Supplies of commercial vegetables are forecast to decline 3.2 percent to 429 million cwt. from 443 million cwt. the year before. This decline reflects reduced production of fresh market and dual purpose vegetables (vegetables which can be eaten either raw or cooked, such as carrots and broccoli) as well as smaller supplies of the four major processing vegetables (green peas, snap beans, sweet corn and tomatoes).
- Although supplies will be down, prices are forecast to fall. Vegetable imports will offset reduced U.S. supplies and, as a result, prices will decline. The average price for commercial vegetables is expected to decline between seven and 10 percent during the 1985/86 season.
- On the other hand, total commercial production of potatoes, sweet potatoes and dry edible beans should rise. Total output is expected to reach 436 million cwt., an impressive 11.2 percent advance from the prior year.
- Increased production of these vegetables will result in markedly lower prices in the 1985/86 season. In particular, potato prices are forecast to fall 25 to 30 percent below last season's average price of $5.69 per cwt.

Dairy supplies to rise . . .

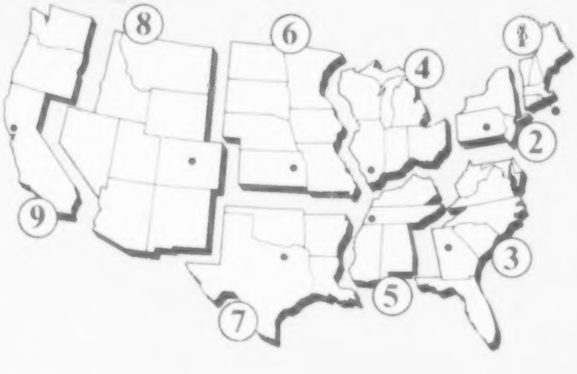
Ample supplies of milk products are expected in 1986, according to USDA Economist Clifford Carmen. This reflects lower feed costs and increased demand as well as better farm management and new technologies. Furthermore, output of cheese and butter is also forecast to rise in 1986. In response to this increased production, dairy prices should fall.

Dairy highlights

- In 1986, milk production is expected to rise 3.5 percent to 148 billion pounds compared with production of 143 billion pounds in 1985. In addition, commercial use of milk should climb between one and three percent.
- Milk prices are forecast to average $12.40 per cwt. in 1986, representing a 2.7 percent decline from $12.75 per cwt. in 1985.
- The outcome of pending farm legislation could affect the outlook for dairy products. A reduction in the support price for milk, currently $11.60 per cwt., could force farmers to cut back production in order to keep prices from becoming depressed. —*Susan Adelman*

How's business?

by Anne Papa



1
NEW ENGLAND

Location: Pawtucket, RI
NRA member: Joseph Silvestri
Operation: Mama Spumoni Restaurant
Profile: Fullservice restaurant, 2 units
In business: 10 years
Seats: Average 250
Meals served: Lunch, dinner

"The holiday season always means less business," observes **Joe Silvestri,** manager of Mama Spumoni Restaurant. He attributes the slack to the predominance of blue collar workers in Rhode Island who "can't afford to spend that extra dollar around Christmas." But generally, the addition of a new Mama Spumoni unit in nearby Warwick, RI, has contributed to a banner year for the company. "This past summer we did our highest sales volume ever," Silvestri reports.

The original Mama Spumoni Restaurant is housed in one of the oldest buildings in Pawtucket. The menu consists of Italian dishes, predominantly seafood, with fresh steamers and lobsters as specialties of the house. To augment the Italian theme, both units are dimly lit in the tradition of Italian eateries. However, says Silvestri, a contemporary touch is added with brass, plants and, in the Warwick unit, a lush greenhouse.

2
MIDDLE ATLANTIC

Location: Sunbury, PA
NRA member: Donna R. Seidel
Operation: Jay's Dutch Pantry
Profile: Fullservice restaurant
In business: 9 years
Seats: 152
Meals served: Breakfast, lunch, dinner

Although numerous factories have recently closed in Pennsylvania Dutch country, business remains good at Jay's Dutch Pantry, according to manager **Jacqualyn Hetrick.** "It's not as predictable as it once was," Hetrick admits, "but we're still doing a steady business." She believes the restaurant's emphasis on traditional foods in a quaint setting are what keep patrons coming back.

Actually, Jay's Dutch Pantry encompasses two entirely different restaurant concepts. Diners can choose between Tiffany's North Side, a room dominated by barn wood, stucco and Tiffany lamps—each locally-made lamp is of a different design—or the adjacent Dutch Pantry, which provides a cozy, "country" atmosphere. Hetrick says visitors often comment on the unusual wall-hanging that adorns the Dutch Pantry called a "distelfink." The traditional Pennsylvania Dutch sculpture of two intertwined birds is a symbol of love.

3
SOUTH ATLANTIC

Location: Atlanta, GA
NRA member: Leigh Taylor
Operation: The Mad Italian, Inc.
Profile: Family restaurants, 5 units
In business: 12 years
Seats: Average 120
Meals served: Lunch, dinner

"Atlanta is boomtown," boasts **Richard Brown,** manager of The Mad Italian. Consequently, he reports, the five Mad Italian units located in Atlanta are all doing quite well. "Of course," he adds, "a good economy alone won't guarantee good business. You must have quality food and service—and we do."

The Mad Italian specializes in what the name implies—Italian cuisine. The restaurants are known throughout Atlanta for their homemade sauces and creative pasta dishes. Interestingly, however, the house specialty is Philadelphia cheesesteaks, served on fresh rolls shipped daily from Rochester, NY.

The "Caesar-type" decor of the Mad Italian units is lightened up with plenty of greenery and touches of neon. Each unit also has an open kitchen. "People have always been leery about what goes on behind closed doors," explains Brown. "An open kitchen allows them to see exactly what is going on their plates."

4
EAST NORTH CENTRAL

Location: Herrin, IL
NRA member: Mary Licos
Operation: Mary's
Profile: Fullservice restaurant
In business: 5 years
Seats: 60
Meals served: Lunch, dinner

Since **Mary Licos** first opened Mary's in 1980, she has seen business increase every year. In 1985, traffic improved a full 20 percent. "It's all word-of-mouth advertising," Licos attests. Even though the troubled coal industry is hurting the immediate area of Herrin, some customers who have heard about Mary's will drive 100 miles to eat there. The restaurant is also located near the interstate that connects St. Louis, MO, and Chicago, IL, making Mary's a pleasant stop for travelers.

The charm of Ma[illegible]'s is its atmosphere. Located in a century-old home, the five-room restaurant has two working fireplaces and the original bar and kitchen. The outside of the Victorian structure is painted a warm, peach color—indicative of the traditional hospitality found within.

5

EAST SOUTH CENTRAL

Location: Memphis, TN
NRA member: Charles Vergos
Operation: The Rendezvous
Profile: Specialty dinnerhouse
In business: 38 years
Seats: 400
Meals served: Lunch (weekends only), dinner

"Everybody in town seems to be doing good business," says **Charles Vergos,** owner of The Rendezvous. "I know we are. We have been serving an average of four tons of meat per week."

Perhaps The Rendezvous's popularity can most be attributed to the one menu item served almost exclusively—charcoal broiled, long back ribs. "No dessert, no coffee, no china, no silver," explains Vergos. "Just plenty of good ribs."

The Rendezvous is located in the basement of a building next door to Memphis' renowned Peabody Hotel. "People have to come through an alley and down stairs to get to our place," says Vergos. Once inside, the atmosphere is all-American. Paintings of rural home life adorn the walls, while objects typical to the Midwest region—farm equipment, sleds, saddles—hang from the walls and ceiling. Big tables with checkered tablecloths complete the "Americana" look.

6

WEST NORTH CENTRAL

Location: Topeka, KS
NRA member: Richard Cummins
Operation: Por'e Richards
Profile: Coffee shop
In business: 28 years
Seats: 370
Meals served: Breakfast, lunch, dinner

Richard Cummins, owner of Por'e Richards, reports that the economy is lagging a bit in Topeka. However, last year his restaurant moved from an outskirts location to the heart of town—and business has improved.

Because Por'e Richards' new location is surrounded by office buildings, lunch business has increased threefold. Dinner business and late-night breakfast business—the restaurant stays open until 4:00 a.m.—have remained about the same. Menu items that are popular in coffee shops across the country—steaks, eggs and plenty of strong, hot coffee—are the mainstay at Por'e Richards.

Cummins does point out that his coffee shop is unique because of its mahogany paneling and black walls and ceilings. "We've made black walls famous around here," he chuckles.

7

WEST SOUTH CENTRAL

Location: Denton, TX
NRA member: Robert Berg
Operation: Locust Street Grill
Profile: Family private club
In business: 2 years
Seats: 144
Meals served: Lunch, dinner

Geneva Berg, co-owner of the Locust Street Grill, says she "can't complain" about the restaurant's success over the past two years. She does, however, complain about Denton laws that prohibit the sale of liquor by the glass. To adhere to this regulation, restaurants must become private clubs. "Everyone who comes in for a drink must be a member of the club," she explains.

But Berg says the Locust Street Grill has no difficulty attracting members. Located in a turn-of-the-century, restored building, the interior is highlighted by exposed brick walls and marble tabletops. The menu in this family restaurant has something for everyone, from hamburgers and french fries to a full-course steak dinner.

8

MOUNTAIN

Location: Denver, CO
NRA member: James Arenal
Operation: The Denim Broker
Profile: Fullservice restaurant
In business: 2 years
Seats: 200
Meals served: Lunch, dinner

By virtue of its proximity to Stapleton International Airport, The Denim Broker continues to enjoy a profitable business. However, says owner **James Arenal,** the overall economy in Denver is down—probably because of over-eager urban planners who are now left with too much development and not enough people. "Fortunately, I serve a lot of business travelers on expense accounts," he says.

Under its original ownership, The Denim Broker was a casual, country-Western restaurant, complete with blue-jean-clad waitresses (hence the name). When Arenal took over two years ago, he retained the country-Western theme but made the restaurant more upscale. He bought dressier outfits for the wait staff, added new oak paneling and installed four skylights in the main dining room. The Denim Broker's menu specializes in the fixed-price steak and seafood meals.

9

PACIFIC

Location: San Francisco, CA
NRA member: Robert Romano
Operation: Romano's
Profile: Fullservice restaurant
In business: 30 years
Seats: 80
Meals served: Dinner

"They say that in San Francisco there's a seat in a restaurant for every man, woman and child who lives here," says **Robert Romano,** owner of Romano's. Therefore, he adds, it is not the local economy that makes it a challenge to operate a successful restaurant in San Francisco—it is the competition.

But Romano's has fared well over the past three decades, and Romano reports that it continues to do so. The menu includes both northern and southern Italian specialties, but no pizza. "We tried pizza about eight years ago, but found it gave us the wrong image," recalls Romano.

It is Romano's unique front entrance that makes the restaurant stand out. Customers enter through a lighted, grotto-like cove that juts out over the sidewalk. Inside, the front lobby is flanked by two large fountains, and the sunken dining room offers just-entering guests a sweeping view of the restaurant.

FOOD FOR THOUGHT

Beer is the main show

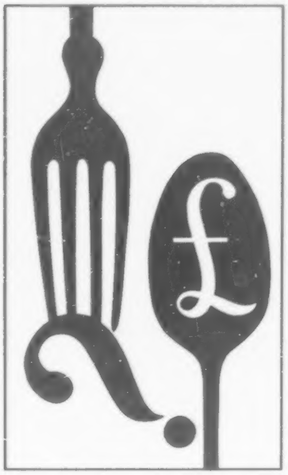
There are plenty of bars where you can see your food being prepared, but the Tap Room, a pub-style restaurant in Manhattan, is promoting itself as the only place where you can see your beer being brewed.

The Tap Room has opened directly adjacent to the New Amsterdam Amber beer brewery, with a glass wall dividing them so restaurant customers can observe beer being brewed.

Joan Dacey, director of marketing and special events for the Tap Room, says the restaurant has only been open a month but is doing quite well. "Customers can see the copper kettles the beer is made in," she says, "which really puts them in the mood for a cold one." *—USA TODAY*

Hmmm, I'd say that meal was worth . . .

Travellers to London, England, know that dining out at Britain's fancier restaurants is getting pricier by the mouthful. To combat the trend, restaurateur Peter Ilic has opened a new restaurant in North London that is—literally—priceless.

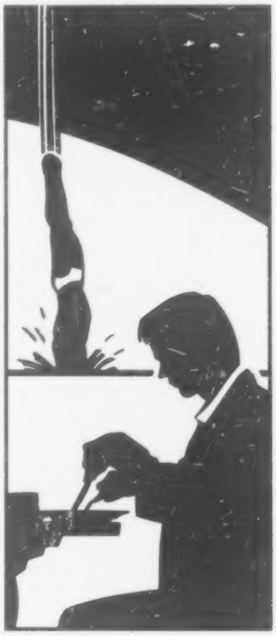


At Ilic's restaurant, called Just Around the Corner, there are no prices on the menu, none on the wine list and none on the bill. Customers decide for themselves what their meals were worth and pay according to their consciences.

Technically, diners could consume three courses, hiccup their way through five bottles of champers and walk off without paying a pence. But Ilic says that has not happened. "So far everybody has paid," he reports. "Nobody has yet been a spoilsport." In fact, he says, one gentleman gave him a signed blank check in return for the unsigned blank bill.

—London Daily Express

This place is a real dive



When people in Denver, CO, call the Casa Bonita restaurant a dive, they mean it—literally. Every five minutes or so at Casa Bonita a "cliff diver" dives from the top of a 32-foot waterfall, cascading down one wall of the restaurant into a 14-foot pool below.

"It's entertainment," explains manager Mark Willis. "It gives the restaurant an authentic Acapulco flavor." But before you pack your swimming trunks for a trip to Denver, be advised that only professional divers are permitted to make the plunge. *—**NRA NEWS** interview*

Baby Maines

Not all baby vegetables come from California—in fact, some even come *to* California. At a recent Produce Marketing Association convention in San Francisco, CA, the hit of the show were Baby Maines—small, round white or russet potatoes, introduced by the Maine Potato Commission.

Commission spokesperson Stanley Greaves says restaurants around the country are already using the 1.5" to 2.5" potatoes. Baby Maines are sold in 30-pound boxes and are shipped with recipes.

—Maine Potato Commission

A lawyer's choice

When not in court, lawyers spend a great deal of time in restaurants—wooing clients, reviewing cases with colleagues or simply meeting with friends. But which restaurants do they frequent most?

The American Bar Association (ABA) wanted to find out, which is why they published a "Lawyer's Choice" survey in a recent issue of *ABA Journal, The Lawyer's Magazine*. ABA members were asked to recommend their favorite restaurants in 25 major cities.

ABA Director of Graphics David Jendras reports that more than 8,000 attorneys responded to the survey, nominating close to 1,000 restaurants. Forty-five restaurants recommended most often were published in a special ABA restaurant guide.

So which restaurants do lawyers frequent most? In Boston, MA, it is Anthony's Pier 4 and Legal Sea Foods. In Los Angeles, CA, it is Bernard's and Mama Siam and in Baltimore, MD, it is the Prime Rib and Tio Pepe's—to name a few. *—**NRA NEWS** interview*

Introducing 5 New NRA Seminar Programs for 1986

Professionals throughout the foodservice industry have grown to respect and depend on NRA's education programs. Each NRA seminar, workshop and conference offers viable data, state-of-the-art skills and expertise from top industry achievers.

The five new management programs being introduced for 1986 represent the association's continued effort to provide foodservice operators with current information on every aspect of their business. As the scope of industry activities grow, NRA will continue to offer more programs to meet the operator's needs in the dynamics of today's market.

Taking advantage of these excellent programs can be your first step to maintaining excellence in your operation.

Beverage Management

Advancing technology, rapidly changing consumer attitudes, current liability laws and the need for constant controls, make NRA's **Beverage Management** seminar a must for any foodservice operator wishing to compete in today's beverage market. This program brings together all the information you need to run a profitable beverage operation in today's dynamic marketplace.

Newport Beach, CA
February 25–26

Boston, MA
March 3–4

Chicago, IL
May 17–18

Oklahoma City, OK
June 10–11

Business Dynamics for Women in Foodservice

The traditional roles of women in the workplace have changed. **Women in Foodservice** focuses on the potential of women in leadership roles in foodservice and the skills needed to get there.

Washington, DC
February 6

Denver, CO
April 21

Chicago, IL
May 18

San Francisco, CA
May 2

Anaheim, CA
May 4

Foodservice Operators' Legal Workshop

Attend NRA's **Legal Workshop** and get the answers to legal questions before they become legal problems. This program is designed for the hands-on operator that needs the resources to make day-to-day operating decisions and know that he is operating according to the many laws and regulations affecting the foodservice industry.

Boston, MA
February 4

Washington, DC
March 2

San Francisco, CA
March 5

Denver, CO
March 21

Chicago, IL
May 18

Philadelphia, PA
June 10

Miami, FL
June 16

Negotiating for, and Financing Foodservice Facilities

The contract you sign for your property can make or break the future success of your operation. In this program you will learn the standards as well as find out how to make the best deal possible and understand when it becomes imperative to say "no" on a deal that would plague you for years.

San Francisco, CA
February 6–7

Fort Worth, TX
March 26–27

Chicago, IL
May 17–18

Wine and the Bottom Line

Foodservice operators that initiate an effort to boost wine are surprised by the potential that they had overlooked in the past. **Wine and the Bottom Line** focuses on the key elements of successfully merchandising wine including staff training, purchasing, working with distributors and building your wine knowledge.

Washington, DC
April 9

Chicago, IL
April 15

Detroit, MI
May 5

Cincinnati, OH
June 9

For more information on NRA education programs, please call or write NRA at: 800/424-5156 (toll free) or 202/638-6100
National Restaurant Association,
311 First St., N.W.
Washington, DC 20001

Build your business in 1986

National Restaurant Association

Vol. [illegible] No. 2 ☐ February 198[illegible]

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NRA NEWS

Dietary Schizophrenia

NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

3/10	Shreveport, LA
4/22	Denver, CO

Dining Room Management

3/5	Springfield, MA
3/10	Grand Rapids, MI
3/11	Kansas City, MO
4/14	Buffalo, NY
4/15	Syracuse, NY

Kitchen Management

3/3	Boston, MA
3/10	Edmonton, Alberta, Canada
3/11	Calgary, Alberta, Canada
4/7	Portland, ME
4/22	Denver, CO
4/24	Annapolis, MD

People-Power and Profits

3/27	Fort Worth, TX
4/9	Columbus, OH

Tools for Training

3/4	Boston, MA
4/7	Newark, NJ
4/8	Atlanta, GA

Food Production Courses

Perfecting Your Culinary Skills

4/8	Richmond, VA

Simplified Baking Workshop

3/11	Baltimore, MD
4/29	Atlanta, GA

Soups and Sauces

3/3	Boston, MA
3/4	Philadelphia, PA
4/7	Minneapolis, MN
4/8	Indianapolis, IN
4/21	Denver, CO

Foodservice Management Courses

Banquet Management

4/3	Portland, OR
4/5	Seattle, WA
4/14	Boston, MA

Beverage Management

3/3–4	Boston, MA

Business Dynamics for Women in Foodservice

4/21	Denver, CO

Introduction to Computers in Foodservice

3/3	Providence, RI
3/10	Newark, NJ

Applications for Computers in Foodservice

4/28	Newark, NJ

Employee Motivation

3/4	Williamsburg, VA
3/6	Gatlinburg, TN

1986 Study Group Meetings

Foodservice Security Council

1/20–22	Chicago, IL

Safety Officers

1/22–24	Chicago, IL

Large Independent Operators

2/14–16	Orlando, FL

Labor Relations

2/25–26	Memphis, TN

Financial Officers

4/2–5	Lake Tahoe, NV

Tax Executives

4/2–5	Lake Tahoe, NV

Market Research

4/9–11	Atlanta, GA

Management Information Systems (formery the EDP Group)

4/29-5/2	Lake of the Ozarks, MO

Internal Audit

5/6–9	Hilton Head, SC

Foodservice Purchasing Managers

5/14–16	Chicago, IL

Marketing Executives

5/14–17	Chicago, IL

MAECO

5/14–16	Chicago, IL

Quality Assurance

May (to be determined)

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

Food Cost Management

3/5	Williamsburg, VA
3/21	Salt Lake City, UT
4/22	Portland, OR

Foodservice Operators' Legal Workshop

3/2	Washington, DC
3/5	San Francisco, CA
3/21	Denver, CO

Menu Development

3/24	Tucson, AZ
4/22	Albany, NY

Negotiating for, and Financing, Foodservice Facilities

3/26–27	Fort Worth, TX

Off-Premises Catering

3/24–25	Vienna, VA
4/14–15	Austin, TX

Operational Analysis

3/25–26	Minneapolis, MN
4/21–22	Charlotte, NC

Planning and Implementing Restaurant Marketing Strategy

3/26–27	Portland, OR
4/21–22	Denver, CO
4/30–5/1	Miami, FL

Planning Successful Buffets

3/4	Boston, MA
3/10	Portland, OR
3/11	Seattle, WA
3/27	Rochester, NY

Real Estate & Restaurant Site Selection

4/7–8	Louisville, KY

Restaurant Design and Facilities Planning

3/24–25	San Diego, CA
4/28–29	St. Paul, MN

Wine and the Bottom Line

4/9	Washington, DC
4/15	Chicago, IL

National Conferences

INFO 86: Independent Foodservice Operators' National Conference

2/16–19	Orlando, FL

National Conference on Computers in Foodservice

3/16–19	Washington, DC

For more information, contact
NRA Education Programs
311 First Street, NW
Washington, DC 20001
(800) 424-5156 or (202) 638-6100

NRA NEWS

Vol. 6 No. 2 February 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June-July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to *NRA NEWS*. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright © NRA 1986. Postmaster: send address change to *NRA NEWS*, 311 First St., N.W., Washington, DC 20001.

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Ted Balestreri
Co-owner
The Sardine Factory, Inc.
Monterey, California

Your NRA Board of Directors met in January to review and implement association activities. The scope of association projects is as broad as the industry is diverse. From legislative representation and educational forums to special-issue projects and promotions, the information, guidance and support NRA now offers its members is truly unprecedented.

The priority issue on the Board of Directors' agenda is to ensure the tax simplification plan, now being reviewed by the Senate Finance Committee, does not include provisions to reduce the deductibility of the business meal.

Tax reform hearings before the Senate Finance Committee began January 24. NRA urges all members to contact their senators to explain the tremendous negative effects any decrease in the deductibility would have on the industry as well as on state and local economies.

In an effort to take the industry's message directly to President Reagan and members of the Senate Finance Committee, NRA sent each of them a video tape in which NRA Vice President Jim Hasslocher, Treasurer Michael Grisanti, board member John Farquharson and I explain the destructive effects meal deduction limitations would have.

Other NRA Washington activities include an effort to effect changes in the Department of Labor's (DOL) "exempt manager" rules. During a recent DOL call-for-comment period, NRA submitted suggested changes that need to be made in current DOL rules. Because many foodservice managers do not presently qualify as managers under the current narrow rules, NRA is requesting that DOL redefine the exempt status as it affects the foodservice industry. We will keep you informed.

NRA's *National Symposium: The Crisis in Product & Service Liability* held in conjunction with Pennsylvania State University took place in Washington, January 29. More than 100 representatives from affected industries, including insurance, health care, manufacturers, restaurants as well as city and county governments gathered to discuss the effects of promiscuous litigation on our nation.

One restaurateur speaking at the symposium, summed up the crisis by explaining, "One customer gets rich quick through a windfall court decision, and the rest of the public pays the price." Look for coverage of the symposium in the March issue of ***NRA NEWS.***

The White House has asked that the National Restaurant Association encourage NRA members to participate in the White House Small Business Conference scheduled for August 1986.

The last White House Small Business Conference took place in 1980, and more than 60 restaurateurs participated in setting an agenda for America's small business operators. National delegates to the conference are selected during state conferences. For more information on participation in the conference at the state level, see the article in *Washington Report*, this issue.

Contributions to the NRA political action committee (NRA-PAC) doubled in 1985 over 1984, reaching $110,000. Contribution funds are donated to the campaigns of congressmen and senators who support the goals of the foodservice industry.

The latest of NRA's 1986 *Current Issues Reports* should be in your mailbox this month. *Foodservice and the Labor Shortage* looks at the age of the workforce and the competition for workers over the next five years. If you do not receive your copy soon, contact NRA's research department.

By now you should have finalized your plans to attend NRA's Independent Foodservice Operators' National Conference, INFO 86, in Orlando, FL, February 16–19. Hundreds of independent foodservice operators will come together to discuss trends, innovations and problems as they relate to the independent's business environment. The theme of this year's program is "Take advantage of your independence." I hope to see all you independent operators there.

NRA's National Conference on Computers in Foodservice will follow one month later in Washington, DC, March 16–19. Many computer vendors will be on hand to demonstrate their latest equipment. For more information, contact NRA's education programs department or see the back cover of this issue.

It is not too early to plan promotions for the 1986 prom/graduation season. To help you, NRA has sent all members *Operation: Prom/Graduation*, a program designed to promote your operation while encouraging graduating students not to drink and drive. Through a task force of local businesspersons, you will have an opportunity to help keep the prom season a safe season. NRA's communications department can supply you with more information.

Be sure to enter your menus in the NRA Great Menu Contest before the end of the month. Entry deadline is February 29. NRA's Great Menu Contest fosters excellence in menu development and design. Winners become a standard of excellence for the entire industry.

The annual ***NRA NEWS*** *Index of Articles* is contained in this issue. It is a tremendous reference source which includes all the articles published in the ***NRA NEWS*** during 1985. There is also an index available for each year ***NRA NEWS*** has been published. It goes back to October 1981.

During January, 152 foodservice operators and allied suppliers joined us as members of NRA. Welcome. Your participation in NRA will make your business grow and make your association more effective in its endeavors on your behalf.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board

CONTENTS

Cover Story: Dietary Schizophrenia

Are Americans confused about their eating habits—opting for salads and other low-calorie entrees and then heading for the most caloric desserts? Maybe not. Although dubbed "dietary schizophrenia," this growing trend may not be as contradictory as it appears. Enjoying high-calorie desserts may be a result, not a reversal, of the nutrition/fitness movement. Nutrition may have become so commonplace in the lives of health-conscious Americans that they can guiltlessly splurge on an occasional extravagant dessert.

10 A new perspective on the dietary schizophrenia trend.

12 No longer considered a passing nutritional trend, salad bars are alive, well and branching out.

Specials

Menu Development	16	How to develop a winning menu—a 17-step formula.
Annual Index	21	The fourth annual ***NRA NEWS*** index is a handy reference guide for locating specific topics covered by ***NRA NEWS*** during 1985. Note the special breakouts for "Washington Report" and "Foodservice Trends."
Menu Size Debate	29	How many items should a menu have? The answer is not clear-cut. This article examines the pros and cons of large and limited menus.

Departments

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Cover photograph by Gary Landsman

SHORT ORDERS

Enrollment period now in progress for NRA insurance plan

As the cost of individual major medical insurance continues to rise, more NRA members are taking a look at the officially sponsored, low cost NRA Group Major Medical Insurance Plan.

Now, during a special enrollment period scheduled through April 1, 1986, members and key employees under age 65 are eligible to apply for this comprehensive insurance. Coverage may also be included for spouses and unmarried, dependent children up to 19 years of age (23 if a full-time student).

Applicants choose their own deductible—$300, $500 or $1,000. This choice allows members to decide how much they can afford to pay on their own before the insurance takes over. Of course, the higher the deductible selected, the lower the final premium. Once the deductible is met, the plan pays 80 percent of covered expenses. After the insured has paid $1,000 in covered, out-of-pocket expenses (plus the deductible), the NRA plan pays 100 percent for the rest of the year—up to $1,000,000.

The plan pays for many hospital and medical expenses including hospital room and board, surgery, specialized equipment, prescription drugs, anesthesia, professional ambulance, convalescent care and much more.

NRA members will be receiving information on this plan in early March. Further details can be received by contacting the insurance administrator: Albert H. Wohlers & Co., NRA Group Insurance Plans, 1500 Higgins Road, Park Ridge, IL 60068-5750. Toll-free number: (800) 323-2106. Illinois residents: (312)681-2221.

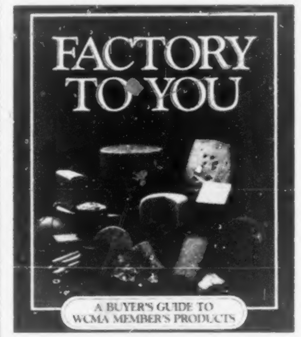
Restaurant Insights on video

Restaurant Insights is a new bimonthly video news program that lets top industry executives see into the kitchens, dining rooms and offices of operations from coast to coast. Every segment of the industry is tracked for story ideas. On-the-scene photography and on-camera interviews and reports let viewers see and hear about changing concepts, trends and promotions.

The video program, which runs 35 to 40 minutes, is produced by Retail Insights, Inc., producers of *Supermarket Insights* and *Convenience Store Insights*. It is free to qualified foodservice operators on an as-available-basis. The first program of 1986 is scheduled for this month and comes in all formats—VHS, Beta and ¾ inch cassettes.

To subscribe, contact Retail Insights, 100 Prospect St., Century Plaza North, Stamford, CT 06901.

Cheese association prepares product guide



The Wisconsin Cheese Makers Association is preparing a buying guide to member products called "Factory to You." The guide will be available free of charge to all cheese and gourmet shops, grocers, brokers, restaurants and distributors in the United States.

The 1986 edition of the guide will list more than 200 varieties and styles of cheese produced and marketed by 150 manufacturers and wholesalers. The buyer can find the cheese of interest in the table of contents, go to the listing for that cheese and cross reference with the member listing for the name, address and phone number of the sales contact.

To order this directory, contact the Wisconsin Cheese Makers Association, P.O. Box 2133, Madison, WI, 53701 or call (608) 255-2027.

NRA member wins award

NRA member William Saigh, owner of Lettuce Leaf, Inc. in Clayton, MO, was awarded the 1985 award from the Missouri Rehabilitation Councelors Association (MCRA) in recognition of his company's consistent practice of employing persons with handicapped conditions.

"These persons are excellent employees and hiring them for many years now has had a profound effect upon our managers," says Saigh. "Our managers have taken it upon themselves to be able to communicate more efficiently."

Because you asked

A number of readers have wondered about the art used in the opening spread of last month's restaurant sign article. The picture is, in fact, an over-exposed line shot with a rescreened halftone of the "Empire Diner," a 30″ by 48″ oil on canvas by John Baeder. Baeder, who specializes in nostalgic architecture and has written a book called *DINERS*, illustrating the charm of the American diner, lives in Nashville, TN. Many of his works can be seen at the O.K. Harris Works of Art gallery in New York City.

WASHINGTON REPORT

The fight on caps continues

The industry has another opportunity to eliminate caps on the business meal when the Senate Finance Committee begins to write its version of tax reform legislation. Markup could begin as early as this month. That is why NRA is urging all members to contact their senators now.

Of most concern is the House-approved provision to trim by 20 percent the deduction for business meals, including those eaten away from home, and any business entertainment that includes food, such as receptions, banquets or catered events. NRA is working to keep the proposal out of the Senate version.

You can do your part by asking your senators why our industry is only 80 percent legitimate. Why is it given second-class status when other forms of business promotion—advertising, direct mail, product samples, office furnishings, etc.—are considered legitimate business expenses?

Tell your senators that an NRA-sponsored study by Chase Econometrics shows that an 80-percent deduction jeopardizes the jobs of nearly 400,000 foodservice workers. Over a three-year period it will lead to a $1 billion loss of tax revenue at the state and local level because of lost sales and income tax receipts and increased spending for unemployment compensation and welfare.

Ask your employees to contact their senators as well. Also, please send a copy of your correspondence to the NRA Government Relations Department in Washington.

NRA fought hard last year to have limitations on the business meal deduction removed from the House tax bill as it was marked up in the Ways and Means Committee. The industry nearly won full deductibility when an amendment by U.S. Rep. Wyche Fowler (D-GA) to keep the business meal deduction at 100 percent was narrowly defeated by a vote of 19–17.

Rep. Bill Frenzel (R-MN), left, co-sponsor of the amendment to preserve full deductibility of business meal expenses, and NRA President Ted Balestreri answer questions concerning business meal deduction legislation at a recent Board meeting.

NRA pushing for TJTC revival

The failure of Congress late last year to extend expiring tax credits leaves the fate of the Targeted Jobs Tax Credit (TJTC) up in the air. Technically, TTJC expired on Dec. 31, 1985. But NRA hopes the expiration is temporary and is working now with other employer groups to have the credit retroactively extended to Jan. 1, 1986.

The TJTC expiration does not affect employees who have already been certified for the credit. Employers may still take a first-year credit of up to $3,000 and a second-year credit of up to $1,500.

Although no new employees can be certified for TJTC, the Department of Labor (DOL) has instructed state jobs services offices to process TJTC certification requests received prior to January 1, 1986.

The state offices have also been instructed to receive and keep on file any certification requests received after January 1 so that if the credit is retroactively extended, they can be processed.

House Ways and Means Committee Chairman Dan Rostenkowski (D-IL) has made some assurances that a bill will be taken up early this year to restore many of the credits left in limbo because of Congress' inaction last year.

Failure to act on a budget reconciliation measure in December killed nine other tax credits as well, including the research and development credit and credits for employer-provided educational assistance, prepaid legal services, vanpooling and the removal of architectural barriers.

These credits would have been extended temporarily through Aug. 1, 1986 under an NRA-supported plan accepted in December by the House and Senate tax-writing committees. A temporary extension was favored by the committees because it would give them enough time to finish work on a tax reform bill, which may modify or even eliminate some of the credits. But this temporary measure was held up in a bitter dispute over financing and budget reconciliation.

NRA is asking its members to contact their representatives and senators to urge them to support immediate retroactive extension of TJTC. During 1985, 623,000 disadvantaged individuals were hired because of TJTC. These employment opportunities will end if the credit's expiration becomes permanent.

Fast food labeling rejected

Mandatory ingredient labeling of fast foods was rejected by the Department of Agriculture (USDA) in December. In response to a petition by the Center for Science in the Public Interest (CSPI), USDA supported NRA's long-held position that restaurant foods should not be subject to labeling.

Fast foods are not adequately standardized to permit ingredient labeling, according to USDA. Mandatory ingredient labeling would require "an incredibly large, complex inventory of wrappers and containers, and would entail a very large burden on each restaurant affected," noted USDA.

The costs of mandatory labeling would outweigh any public benefit, USDA said. "We do not find the public health issues you raise nor the legal distinction you propose for fast food restaurants sufficiently compelling to alter our earlier position," said USDA Assistant Secretary Raymond Lett.

The Food and Drug Administration (FDA) must also respond to the CSPI petition. According to FDA, the CSPI petition is not high on its priority list, so a response is not expected until later this year.

Farm bill signed

President Reagan signed an omnibus farm bill on Dec. 23, 1985. This five-year re-authorization measure begins the move toward a more market-oriented federal farm policy by cutting federal price supports to reduce the government's role in agriculture.

While the bill appeases farm policy reformers by lowering price supports, it also appeases the farm community by protecting the farming income.

The bill comes with a $52 billion price tag for commodity programs—$2 billion more than the President wanted. The total cost for all farm programs over the five-year life of the bill could exceed $160 billion, which includes $69 billion for food stamps.

The new law freezes target prices for two years and allows the prices to fall in later years.

An NRA-supported effort to lower dairy price supports was successful. The compromise bill will allow dairy price support levels to drop after an initial one-year freeze at the current support level of $11.60 per hundredweight.

The dairy price support will drop to $11.10 by October 1987.

States elect delegates to second small business conference

More than 1,800 small business people from across the country will meet in Washington Aug. 17–21 for the second White House Conference on Small Business.

The first conference was held in 1980 and resulted in 60 recommendations to the President and Congress on small business issues. Nearly two-thirds of those recommendations have been implemented.

The purpose of the second conference is to review the status of the 1980 recommendations, increase public awareness of the contributions of small business, identify the problems facing small business and develop recommendations for government action.

Each state, the District of Columbia and Puerto Rico will have held its own small business meeting prior to the national conference.

NRA members were active in the first conference, and NRA is encouraging all restaurateurs to get involved in 1986.

Although many of the states have already met, nearly half of them will hold their conferences in the upcoming months. See the accompanying box.

If you are interested in attending your state conference, write the White House Conference on Small Business, 1801 K Street, N.W., Suite 1101, Washington, DC 20006 or call (202) 653-9550.

A number of delegates will also be appointed by the President, Congress and state governors. For information on these appointments, contact your governor or congressman.

—Jay Morris
—Michele Rabayda

Schedule of state small business meetings

Date	Location	Delegates to be elected	Delegates to be appointed
Feb. 19	Jackson, MS	14	8
Feb. 21	New Orleans, LA	20	11
Feb. 25	Louisville, KY	18	10
Feb. 28	Nashville, TN	22	12
Mar. 7	Washington, DC	10	2
Mar. 11	Cherry Hill, NJ	32	17
Mar. 18	Houston, TX	58	30
Mar. 21	Dallas, TX	*	*
Mar. 25	Albuquerque, NM	10	6
Apr. 1	Indianapolis, IN	24	13
Apr. 8	St. Louis, MO	22	12
Apr. 11	Des Moines, IA	16	9
Apr. 15	Wichita, KS	14	8
Apr. 18	Little Rock, AR	12	7
Apr. 22	Oklahoma City, OK	16	9
Apr. 25	Las Vegas, NV	10	5
May 1	Phoenix, AZ	14	8
May 6	Billings, MT	10	5
May 9	Portland, OR	14	8
May 13	Boise, ID	10	5
May 16	Anchorage, AK	10	4
May 22	Syracuse, NY	72*	37*

**In states holding two conferences—California, Texas, New York, Illinois, and Florida— each conference will elect half the total allotted delegates. The state totals for elected and appointed delegates are listed under the first state entry.*

Total elected/appointed state delegates	1,723
Delegates appointed by the President	100
Total delegates to the National Conference	1,823

Interview

Courtemanche discusses small business conference

***Jack L. Courtemanche** is executive director of the White House Conference on Small Business, which will convene in Washington, August 17–21. Courtemanche brings the insight of 27 years of business experience to his new job. Prior to his appointment, Courtemanche was deputy assistant to the President for public liaison and executive director of the White House Conference on Productivity.*

***NRA NEWS:* Tell us briefly what this second White House Conference on Small Business hopes to accomplish.**

Courtemanche: We have created a forum in every state for small business people to present policy recommendations to the federal government. Those recommendations will be taken up at the national conference in Washington, and final recommendations will be presented to the President and Congress.

Participants at the state conferences also will elect delegates to the national conference. The delegates will meet for four days to prioritize all the recommendations from the state conferences and come up with a final list for the President and Congress.

Delegates to the first conference in 1980 drafted 60 recommendations, and 38 of those have been acted on legislatively or administratively.

Q: Will there be 60 recommendations again?

A: Not necessarily. There is no pre-determined cutoff. When we get to the national conference, there will be about 2,200 recommendations from the states. There will be a number of duplications, of course, but the delegates will have the job of going through these and coming up with a manageable number.

Q: You have reached the midpoint on these state conferences. How has the response been?

A: We have been very pleased. The response has been very, very good. Business people don't have as many problems as they did in 1980—interest rates are down, and the business climate is much better. So this time I think the participants are looking into the future, thinking about where they want to be in five years and what it will take to get there.

Q: What have been some of the major issues raised at the state conferences?

A: Some of the top recommendations have been in the area of simplifying the tax code. There is a feeling that we need a simpler and more stable tax system so a small business person can anticipate tax changes and, then, to have it remain in place for five or six years.

There also have been recommendations for allowing tax-free transfer of a small business within a family, permitting private sector alternatives to Social Security and continuing the investment tax credit.

There also is strong support for a constitutional amendment requiring a balanced budget and/or restricted spending and for giving the President authority to line-item veto the budget.

Q: A major problem for restaurateurs lately has been obtaining liability insurance. Has that come up in your state meetings?

A: Yes, that has been one of the top worries. In fact, I'd say it is the biggest concern small business has today. Some of our top recommendations have come out of the areas of insurance and product liability. We have heard terrible horror stories about people paying six, seven, eight, nine times what they were paying 12 months ago, and in many cases they aren't even able to get insurance, no matter what the premium is.

There have been some recommendations for tort reform, such as putting caps on liability suits. Unfortunately, much of what must be done to get at this problem must occur at the state level. The insurance issue is primarily a state one.

Q: What becomes of the final recommendations once they are presented to the President and Congress? Is there an agency, such as the Small Business Administration, designated to work toward their implementation?

A: No, there isn't. As in 1980, we are relying on the delegates themselves to be the advocates. We believe Congress and the administration will look and listen to these recommendations because they are coming from such a strong group.

Q: Will the members of Congress be appointing delegates to the White House Conference as they did last time?

A: Yes, that is correct. The President will appoint 100 delegates, and each senator, representative and state governor will appoint one delegate. About 40 percent of all delegates will be appointed by elected officials.

Q: So a restaurateur who has missed his state conference and still would like to come to Washington as a delegate has another chance. How would he pursue such an appointment?

A: He should just contact his local congressional office and express a desire to be a delegate to the White House Conference on Small Business.

Q: You have talked to hundreds of small business people in the last several months. What does the future hold for them?

A: The future and outlook for small business is extremely good. More people are starting small businesses than ever before. In the last three years the number of start-ups has broken the previous year's record. We have such a good climate in the U.S. for small business compared to other countries; there just is no other place in the world where you have the opportunity like you do here in America. Small business people are tough, and they are survivors. They persevere. I feel very positive about their future.

Dietary Schizophrenia

Is America really counting calories?

In uptown eateries and downtown steakhouses, fitness enthusiasts who once shunned dessert in favor of another round of aerobics are making a beeline to the dessert bar. This selective indulgence is no accident. It makes sense, nutritionists say, and may be the answer to the dietary schizophrenic trend that has been puzzling restaurateurs. As this article points out, dessert is not the last battleground for fitness lovers; it is here to stay.

by Marcia Hibsch Coppess

Recently two women completed a strenuous hour of aerobics at a popular and crowded fitness center in Chicago, IL. As they dressed for the return to work, they discussed their weekend plans. "I have a ton of work to finish before I go home tonight, and I may have to work this weekend," the noontime exerciser told her friend. "But my first stop is the specialty store down the street. Their chocolate truffles are my Friday afternoon treat for surviving another week of aerobics."

Marcia Hibsch Coppess is a freelance writer who specializes in psychology and nutrition.

Who are these diners who espouse nutrition and fitness while guiltlessly finishing off their last bite of sour cream pecan pie? According to dietitians and food industry observers, they are *selective indulgers:* diners for whom good nutrition is not just a passing trend but a way of life.

Selective indulgers are of no particular age group or economic stratum. They do not cause a blip in the consumption data collected by industry researchers, but they have made nutrition a priority in their lives.

In the late 1970s, when doctors began warning patients of rising blood sugar and blood pressure levels, many consumers viewed sugar and salt as poisons. Piously, they sacrificed their salt shakers and desserts and headed for the gym. But as they became accustomed to the wok on the stove and the salt off the table, they lost their self-consciousness about eating. Now if the evening is festive and the company is pleasant, when the dessert cart rolls around, they happily choose the gooiest item on the shelf and sleep well that night, knowing that one dessert will not be their downfall.

Other changes in habits may be contributing to the trend toward selective indulgence. With alcohol awareness on the rise, operators are seeing a higher demand for non-alcoholic ice cream drinks and other desserts as customers focus on desserts rather than liquor as a preferred item on the menu.

"This movement may actually reflect a healthier attitude toward eating," says Robyn DeBell, a registered dietitian who emphasizes preventive medicine in her private practice in Tucson, AZ, and an American Dietetics Association ambassador. "Often, diners classify some foods as good and others as bad. That's wrong. No single dessert ever killed a normally healthy person.

"People who observe healthful eating habits most of the time but occasionally splurge on dessert realize that it's not dessert that is fattening—it's one's overall approach to nutrition," DeBell continues. "So, rather than feeling guilty every time they have dessert, or permanently depriving themselves of it, they take good care of their bodies throughout the month by exercising and maintaining good nutrition. Then when they splurge on an excessively high-calorie dessert, they don't feel guilty about it." Ann Clurman, senior vice president of Yankelovich, Skelly and White, Inc., New York, NY, adds that consumers are placing more emphasis on the sensuality and aesthetics of eating and are willing to compensate for an occasional splurge.

And what does this portend for the restaurant operator? Until recently, a typical American dinner—at home or in a restaurant—consisted of a large portion of meat, a starch and an accompanying vegetable or salad for color and balance on the plate. That was often followed by a serving of ice cream, pudding or perhaps a slice of pie.

"While today's dinner may still contain protein, consumers prefer it as chicken in a stir-fry mixture, thin slices of London broil or a Crab Louis salad," DeBell says. "Greater attention is paid to flavorful vegetables, fruits and starches."

The result—a diet lower in fats, cholesterol and calories. And, apparently, when that habit is maintained regularly, both at home and while dining out, consumers feel comfortable with periodically treating themselves to rich desserts even if those desserts contain as many or more calories as their typical dinners.

Quality is key . . .

DeBell has noted another twist to selective indulgence: Quality, not quantity, is the trend. Even "bad" foods have to be the best. When consumers eat a rich dessert, they want the ingredients to be of the same high quality as the other foods they consume.

"For many of us, dessert represents a reward," DeBell says. "Conscious diners shun 'plastic' desserts," the dietitian continues. "Instead of artificial creamer, whipped topping and gelatin-based sweets, they want to indulge in real buttercream, real almond paste, pure whipping cream and natural vanilla. They would rather eat one perfect strawberry dipped in imported chocolate than a whipped-topping confection or a milkshake from a machine."

". . . dessert in a restaurant is far safer than one at home because the portions are controlled."

Others have noted the increase in America's sweet tooth as well. Reg Schmidt, vice president of business development for MRCA Menu Census, reports that national dessert consumption, in a slump for more than 10 years, leveled out last year. Candy consumption is at record levels, adds the U.S. Department of Census. Researchers estimate that in 1985 the average American ate 20 pounds of candy—more than half of it chocolate, and that in 1986 the figure will rise to 21 pounds—the highest it has been in 40 years.

Meanwhile, light entrees emphasizing more vegetables, pastas in light sauce and broiled or baked rather than fried meats continue to gain popularity.

Support for selective indulgence . . .

Thus, nutritionists point out, even if they spoil themselves with pastries and creamy desserts, selective indulgers are still ahead of traditional American diners who think that if they cut down on nightly desserts they are doing their part to stay fit.

If you add up the calories, it appears that selective indulgence in extremely rich desserts can be less fattening than reduced consumption of ordinary desserts. Consider, for instance, a person who has decided to cut down on "fattening" desserts. If, instead of a nightly bowl of ice cream or slice of cake, he eats a cup of tapioca pudding twice a week, he will have consumed 2,400 calories in desserts during one month.

Compare that to someone who indulges in a rich prepared dessert twice a month (about 1,100 calories at 550 per serving). The restaurant diner ends the month having consumed half the calories of the conservative at-home diner—with room for whipped cream and a cherry atop each serving. And if the selectively indulgent diner has been exercising and watching his fat and cholesterol intake during the rest of the month, the difference could add up easily to 3,500 calories a month—equivalent to 12 pounds a year.

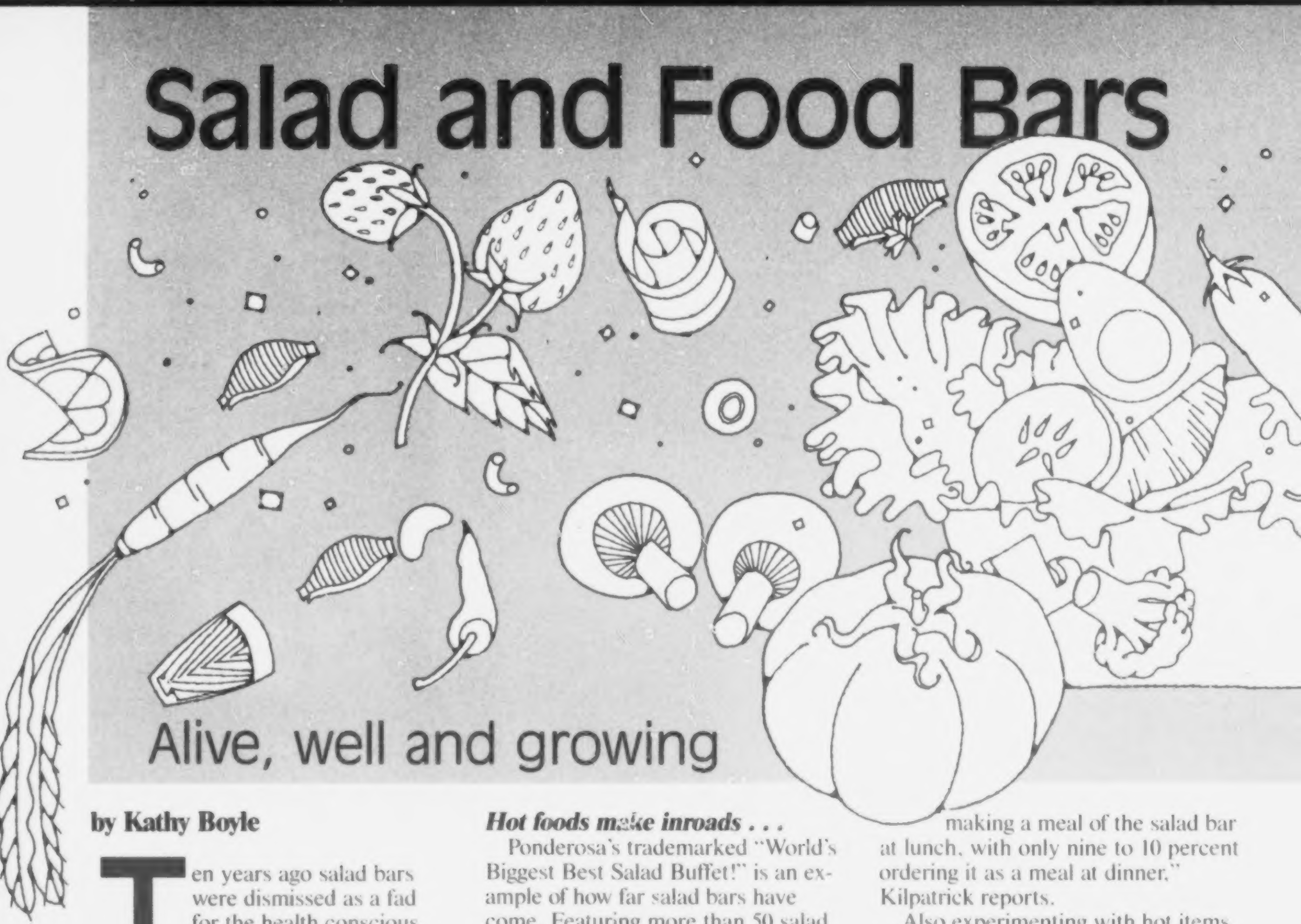
Barbara Stover, R.D., a consultant in Washington, DC, supports the new selective indulgence. "I would prefer that my weight-control clients indulge periodically while eating in a restaurant rather than doing it regularly at home," she says.

"For a restrained eater (someone who must continually restrain himself from the urge to overindulge), dessert in a restaurant is far safer than one at home because the portions are controlled," Stover explains. "One portion of a rich dessert in a cafe will almost always be far less than the slice of cake you'll cut at home. And there's no guarantee that you'll stop with one piece if you take the whole cake home."

DeBell agrees. "I'd rather that a person eat a rich chocolate truffle occasionally than a bowl of ice cream every few evenings. In addition to lowering their fat and cholesterol intakes, the change would be a good move toward better nutritional habits."

Some things never change: everyone loves dessert. But a new dimension has shifted its status. Now the richest, gooiest, creamiest treats have support from the most unlikely advocate, the sophisticated health-conscious diner. So dust off the dessert cart and polish up your pastry skills. Dessert is back in style! ❑

Salad and Food Bars



Alive, well and growing

by Kathy Boyle

Ten years ago salad bars were dismissed as a fad for the health conscious. Today, especially during lunch, salad bars are thriving. According to 1984 Gallup poll figures, more than 30 percent of restaurants offer a salad bar. And if fast food chains are added to the tally, the number is even higher.

The salad bar is not likely to disappear. When Gallup recently asked customers if they preferred their salad served at the salad bar or at the table, an overwhelming 65 percent preferred the salad bar. And respondents in the 18 to 24 age group were the most enthusiastic, with 76 percent preferring a salad bar.

The salad bar has become such a standard in the restaurant business, in fact, that a number of variations are catching on. There are breakfast bars; appetizer bars; dessert, ice cream and chocolate bars as well as a wide selection of hot foods attached to the traditional salad bar, such as soups, casseroles, etc.

Kathy Boyle is a free-lance writer in the Washington, DC, area who writes frequently on foodservice topics for ***NRA NEWS.***

Hot foods make inroads . . .

Ponderosa's trademarked "World's Biggest Best Salad Buffet!" is an example of how far salad bars have come. Featuring more than 50 salad items, the salad bar has brought new life to the Dayton, OH, company's steakhouse image in 26 states, Canadian provinces, England and Puerto Rico. In addition to cold salad items and toppings, Ponderosa's new "Hot Spot" adjunct features rice pilaf, baked macaroni and cheese, hot pastas, stewed tomatoes and other hot vegetable dishes plus three daily soups.

The Hot Spot is adjacent to the salad bar, but it is a separate hot foods section. It operates from 11 a.m. until closing at most units. Ponderosa changed equipment to add this new section, which like the salad bar, is included in the meal. According to George H. Kilpatrick, vice president of marketing, concept and product development for Ponderosa, "the Hot Spot does require a little extra labor as there is more maintenance of hot foods. But we have made changes on the cold side to essentially keep the same food cost so we did not have to charge extra."

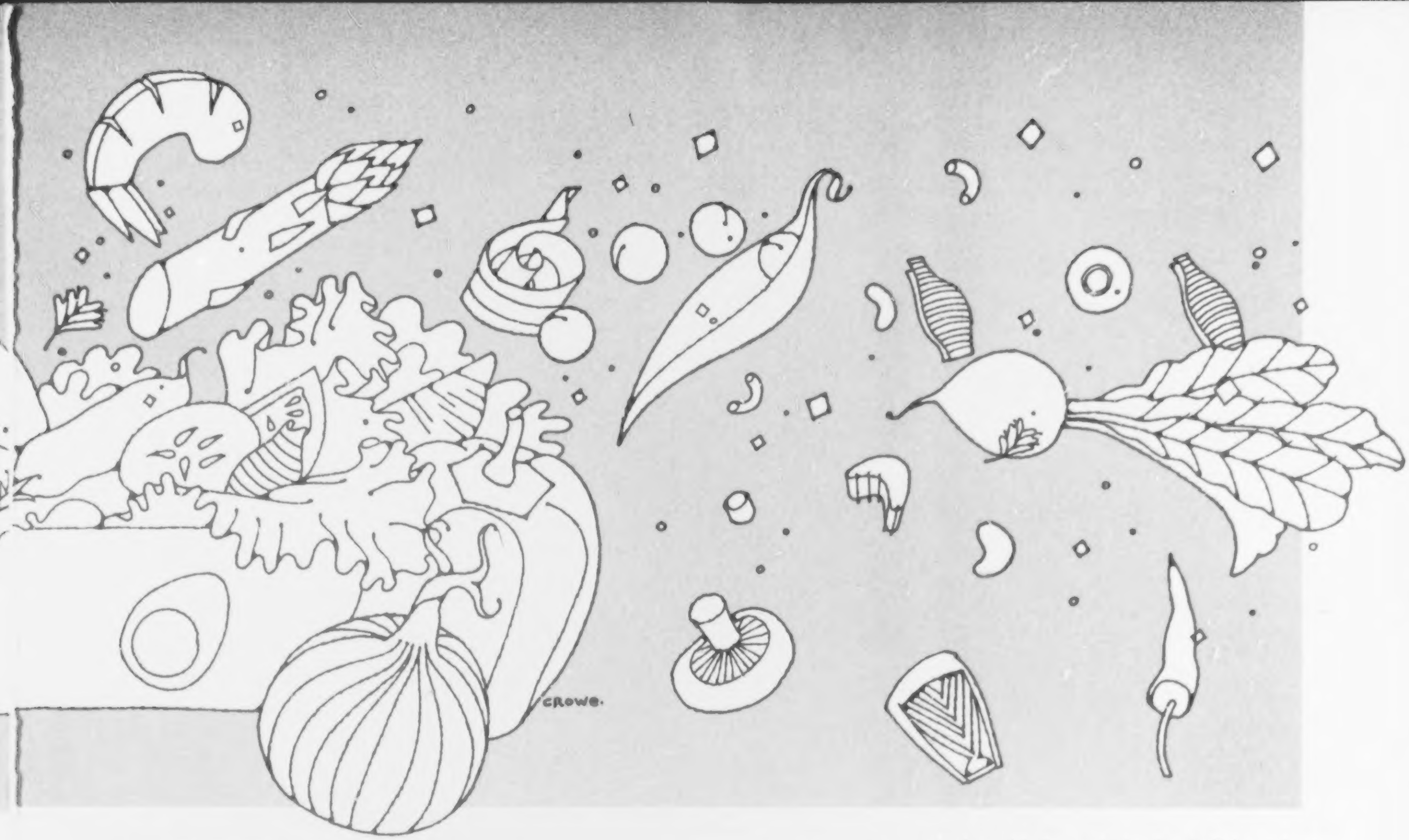
Ponderosa calculates that the incidence of use of the Hot Spot closely follows the salad bar. "We estimate that 25 percent of our customers are making a meal of the salad bar at lunch, with only nine to 10 percent ordering it as a meal at dinner," Kilpatrick reports.

Also experimenting with hot items is the Rax chain, headquartered in Columbus, OH. Currently, all 160 company stores, except for four or five that are too small to accommodate the larger U-shaped salad bar units, are offering a hot nacho section on the end of each salad bar. There are between 15 to 18 items available to make nachos, including chili sauces (no meat), taco sauces, green chili sauce, Spanish rice, refried beans and hot cheese.

According to Ann E. Bennet, member of the Rax research and development team, this is the first time a hot item has been used systemwide. In the past there were regional favorites, such as chicken wings and hot German potato salad. "Usually we like to use the end-cap units of our U-shaped bars for seasonal items," says Bennet. "Fresh fruits are played up in these sections in the summer, but since the wells can take either hot or cold foods, Rax is currently using the end unit for a nacho bar."

Wider variety of items . . .

Expanding the number of items or adding more unusual items continues to be a trend. "At first people were



Tomorrow's customers are growing up with salad bars. Today's younger generation takes the presence of the salad bar as a given. From elementary school through college, schools are finding that the cost of serving students is less at a salad bar because of decreased food and labor costs.

intrigued with the idea of the salad bar itself," explains Bruce Reinstein, vice president of Delb Restaurant Management headquartered in Newton, MA. The company operates Souper Salad Restaurants and four Souper Salad Express operations in the Boston area. "We started with a rather simple offering of salad bar items," he says. "Today we have more items and more unusual items. We have every kind of pasta salad, with both tomato and spinach pasta. We even create our own marinated broccoli salad, which includes onions, tomatoes and fresh herbs."

To create variety and encourage repeat business, the selection changes daily. And no two stores have the same mix of offerings.

"When we started," explains Reinstein, "we had the same salad section at each location. But we found that customers at our suburban locations like potato salad and other hearty offerings while at our Harvard Square location at Harvard University, customers want a variety of sprouts. Customers even want the carrots cut differently," he adds. "At some locations they want strips while at other places they prefer slices. You really have to monitor what they use."

At La Grande Salade Saloon (175 seats) and Cafe la Grande, owned by the Mangan family of Philadelphia, PA, salad bars are the centerpiece. Six years ago when the Mangans remodeled their old restaurant and renamed it La Grande Salade Saloon, they built a mirrored, walk-through corridor to display a 30-foot salad bar, which offers between 80 to 100 items daily. The unusual selection can include cold rice salads, fresh fish and anchovies, Waldorf Salad with peanuts, red cabbage with sesame seeds, chili, scallops, calamari, lox, herring, shrimp, whitefish, clams on the half-shell and almost any kind of fruit plus a wide selection of desserts. There are daily specials as well. On Friday, nachos and pizza are offered.

The 220-seat Cafe la Grande, which opened last August, builds on the success of La Grande Salade Saloon but in a more relaxed country French setting. At Cafe la Grande the salad bar area is called "The Food Show." The Food Show includes most of what is offered at La Grande Salade Saloon, but it also features a hot food entree every lunchtime. "We estimate 65 to 75 percent of our customers make The Food Show an entree at lunch," says Marianna Mangan, general manager. That is why The Food Show is not included in the price of an entree, although customers ordering off the menu do get a discount. The Food Show is $9.95 a la carte for lunch or $5.50 with an entree. At dinner the price drops to $2.95 or $3.95, depending on the entree ordered.

To maintain such salad bars, the Mangans built separate salad kitchens at both locations. "We have a refilling room, separate from the kitchen, so we don't get in anyone's way," explains Mangan. "And we keep two salad runners busy all the time."

Not every restaurant can, or would want to, maintain such an extensive salad bar on a daily basis. But some, like the Main Officers' Club at Fort Lewis, WA, do manage to pull out all the stops once a year. "Once a year we offer our 88-foot World's Longest Salad Bar, which includes 200 salads," boasts Irene Coate, club manager. "It is anticipated all year long, and it is very popular with our members." The lavish, one-day salad spectacular draws attention to the club's daily salad bar which is offered throughout the year but only offers 32 different items.

Recycling equipment at breakfast . . .

Several operators have increased use of their salad bar equipment by recycling it for a breakfast bar during the morning hours. Others, like Roy Rogers, the fast food division of the Marriott Corporation, use the concept on weekends only.

Ponderosa offers a breakfast bar at about one-third of its units, getting double duty of its salad bar equipment, especially the warmers. The offerings include scrambled eggs with a wide array of toppings as well as waffles; frozen, fresh and canned fruit; pastries, such as croissants, and bacon and sausage. "We reached a high point with the breakfast program last spring," explains George H. Kilpatrick. "We have less units in the program now, but some have opted to offer the breakfast on weekends only or with a shorter list of foods."

Washington College, an 800-student, liberal arts college in Chesterton, MD, and two-time, first-place winner of the National Association of College and University Foodservice Award for Best Dining Hall, has added its own twist to the breakfast bar. It features a 24-cereal bar. Only cold cereals are used and they are served in old-fashioned jars. "The bar is very popular with students. In fact, we are capturing about 60 percent of the students for breakfast with this bar," notes Jeffrey A. DeMoss, assistant food director.

Dessert bars—a popular spin off...

A popular extension of the salad bar concept is the all-you-can-eat dessert or ice cream bar. These bonanzas specialize in European pastries, expensive candies and an endless variety of pies, cakes and mousses—nearly all of them chocolate.

Hammerhead's (100 seats) in Monterey, CA, tempts customers with more than 20 chocolate specialties at its all-you-can eat "chocoholic bar." The bar features chocolate chip pecan pie, three or four different kinds of truffles, profiteroles (little scoops of ice cream in rolls) with hot fudge toppings as well as such standard favorites as mousses and chocolate chip cookies.

At the Wells-Warwick House (100 seats) in Lititz, PA (just seven miles north of Lancaster), customers don't even need to walk around the dessert display. The five-tiered lighted carousel rotates with the restaurant's 30 daily offerings of all-chocolate delicacies.

Toby Wells, chef and son of owners Ray and Judy Wells, uses about 100 pounds of chocolate a week, bought from the local Wilbur's Chocolate Factory, to create chocolate mousses, tortes, cakes, pies, cookies and candies.

Judy Wells says that most people visit the all-you-can-eat dessert bar as a special treat. "I can't think of any regular customers who come here just to eat at the dessert bar. It's a novelty, something to do on a special occasion or with a group of people."

Even though customers are invited to eat all they want, the average diner selects four or five desserts which are served in half-portions. They may finish one dessert, while only tasting the remainder.

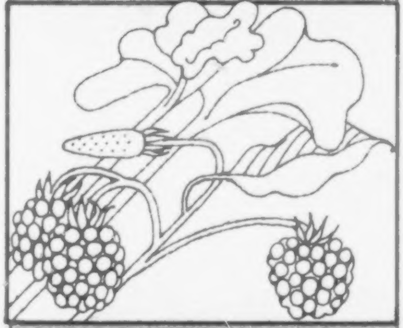
"It's just like any other buffet," Wells theorizes. "People want a taste of this and that, but can't finish everything on their plates." She adds that partakers range from salesmen who bring clients in to see the dessert bar to families and older people.

Hammerhead's charges $5.95 for the chocolate bar with the meal, and $6.95 as an entree. Wells-Warwick charges $7.95. In addition, both operators sell any item individually. Wells-Warwick labels the individual price on a fancy parchment table tent, hand-lettered in calligraphy next to each item. Hammerheads quotes several of the more popular items, such as cheesecake, by price on the menu. "For the rest, we inform the customer when they ask," says Susan Hammer.

In both operations, the chocolate bar required the addition of different equipment. "We had a special marble unit built across the back of the restaurant with built-in chocolate fudge

A typical selection

Most restaurants with salad bars offer some variation on a set group of offerings: lettuce, of course; then vegetables, which can range from broccoli to zucchini; crunchies that include croutons, sesame seeds, raisins and chow mein noodles; a selection of meats and/or cheeses and bacon bits; a fruit selection featuring fresh, canned or frozen fruits, often depending on the season; puddings and jellos; ready-made salads, such as cole slaw, three-bean, macaroni, potato and pasta; breads and, finally, extras such as soup. Also, most operators offer diet and low-calorie dressings in addition to standard favorites, such as French, Italian and blue cheese.



To increase freshness, many operators use different depth containers with the same surface dimension, allowing faster moving items to go into the deeper containers and slower moving items to go into small containers.

A restaurant can make a reputation for itself by developing signature items in any given category. At the 200-seat Souplantation in San Diego, CA, the special emphasis of the 60-item salad bar is on soups and breads. In addition to six soups made from scratch, the restaurant makes its own breads and muffins. The offerings include blueberry, apple raisin, peach, cherry nut, apricot, zucchini, corn and banana breads—all served with honey butter.

Also important is assigning an employee to attend the salad bar full-time to replenish items and maintain order. There is always the person who will take chopped eggs with the wrong spoon.

warmers, so we don't have to set an obtrusive-looking warmer on top of the marble table," explains Susan Hammer. The unit also required special lighting to best feature the chocolate creations. The Wells, on the other hand, bought the special refrigerated, lighted slow-turning chocolate dessert cabinet for chocolate creations that needed refrigeration.

Other food bars take advantage of "grazing" trend . . .

Enthused with the success of their chocolate bar, the Wells added a weekend evening Seafood Bar. "We added an area just beyond the salad and dessert bar with chafing dishes." To enlarge the area, the Wells added mirrors. "We leave the area set up during the week, with name tags sitting next to the chafing dishes to advertise the seafood bar," explains Toby Wells. "Currently 20 percent of our business on Friday and Saturday nights is at the Seafood Bar."

Church Street Station, a restored, historic restaurant complex in downtown Orlando, FL, which includes several theme restaurants with entertainment and gift shops, will add a Spanish Topas Bar this spring. "Topas," the Spanish word for insect, refers to the way a piece of food was left on bars in Spain to attract insects away from the wines. The practice quickly led to the development of bar foods.

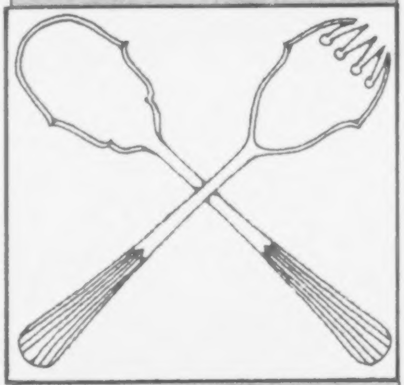
Church Street Station's version of the traditional topas bar will be in a garden setting with live orchids growing, and a 6,000-bottle wine cellar glassed over beneath the floor. According to John Rodriguez, director of food operations for Church Street Station, who designed the menu for the topas bar, "We are going to feature all sorts of pates, hors d'oeuvres, a raw bar with oysters and clams and the fresh seafood and fresh fruit available in Florida." Although the topas bar will be set up like a salad bar, customers will buy items by the piece. There will be a small price tag next to each item.

Similar to the topas bar is the "nosh Bar" (nosh being the Jewish word for snack) at the 100-seat McAbee Beach Cafe in Monterey, CA, owned by Susan and Glenn Hammer and John Dravinski, managing partner. The nosh bar offers 40 different appetizers, including four or five different kinds of sushi, marinated fish salads, pasta salads, cheeses, chicken snacks, tortillas and mushroom appetizers.

Check those spoon and tong sizes

Where the salad bar selections are located within the salad bar set-up and what size serving piece is used for each item can mean the difference between success or failure of the salad bar. "If you put a large serving spoon in the black olives, you'll probably go out of business," quips Bruce Reinstein of Souper Salad operations in Boston, MA.

Expensive items should be located behind other, less costly items, so they are the greatest distance away from the customer.



Using this system, most customers will fill their bowls with the inexpensive items before reaching the higher-priced ones. Also, according to experts, most customers just take a single spoon of each item. Therefore, if you put a smaller spoon in the more expensive items, they will still only take one spoonful.

In addition to spoon and tong size, reducing bowl and plate size can reduce portion sizes and decrease waste.

Salad bar abuse is another problem that concerns operators. Some customers take advantage of the all-you-can-eat policy and share their salad with their children or their dining partner. Some operators recommend assigning an employee to attend the salad bar to discourage this type of cheating. Others ask waiters and waitresses to distribute bowls to salad bar customers. This provides a degree of supervision, which helps cut down on abuse.

Supermarkets too . . .

Underscoring the hardiness of the salad bar trend is the growth in offerings by supermarkets. According to the latest figures by the Food Marketing Institute (FMI), Washington, DC, 10 percent of the supermarkets surveyed had salad bars in 1984—up from three percent a year earlier. Easily able to handle a salad bar, with all the makings near at hand, supermarkets are rapidly getting into the act.

FMI figures also showed that about one-fourth of those offering a salad bar set up tables and chairs to form a sit-down eating area for salad bar patrons. J. Bildner & Sons in Boston, MA, a very upscale supermarket operation, offers 30 items that rotate daily, depending on what is in season. Madeleine Fox Gens, director of marketing for J. Bildner, explains, "What makes us different is that we have a chef and commissary at each of our six stores, and our chefs have experience in restaurants or hotels." This means Bildner offers a wide selection of prepared salads, made fresh each day along with the usual vegetable selection. "Also, we offer entrees in our deli, right next to the salad bar, including such items as glazed duck, steamed shrimp and beef or salmon Wellington."

The latest twist, however, is J. Bildner's new breakfast bar. Using the same equipment that is used for salads at lunch, Bildner is adding extra sales at breakfast. "We have actually brought together the produce, deli, dairy and bakery departments to create our breakfast bar," explains Gens. "We offer bagels and cream cheese, coffee, croissants, donuts, muffins, as well as yogurt, fresh squeezed juices and fresh fruit." Since Bildner does a tremendous volume in breakfast trade, located in highly trafficked areas, they even set up a separate cash register for the breakfast bar patrons, who are in a hurry to get to work.

In sum . . .

Salad bars are more popular than ever with both customers and operators. As competition increases, so does their variety, imagination and use. What was once an afterthought has now become a drawing card for all types of restaurants. ❑

17 STEPS TO DEVELOPING A WINNING MENU

In the taverns, inns and roadhouses of days gone by, the menu served as no more than a written communication to passersby of foods available for purchase. As the foodservice industry matured and customers began to achieve higher levels of dining sophistication, the function of the menu changed.

Today, that simple bill of fare has evolved into a powerful merchandizing and marketing tool. As a strong

by Norma J. Gray

source of advertisement, the successful contemporary menu reflects the style, ambiance, attitude and quality of the operation itself. It serves to entertain and suggest, persuade and please, set the mood and win over even the most tentative diner. As a highly useful sales tool, the menu should be constantly scrutinized, analyzed, altered, evaluated and improved.

The process of menu creation cannot be haphazard for it is both an art and a science. Imagination, coupled with an organized method for menu writing, can provide the coveted results—a restaurant that draws curious newcomers and keeps bringing back established customers.

A systematic approach must be used in developing a menu if it is to function as an effective marketing tool. The first step is to establish a concept for the restaurant by identifying the specific market segment.

"When selecting food items, be sure they can be used in different ways on the menu."

Conduct a market study

One of the best investments you can make when developing a menu is to develop a strong base of information about your present and potential customers. Such a market study should detail their food preferences and ascertain the style of service best suited to their particular lifestyle. Based on this information, a menu can be developed to fit their food and beverage preferences within an appropriate price range.

Perform a competitive analysis

The next step is to study the foodservice operations in your area that would compete with your concept. A critical part of the menu development process is a thorough knowledge of how and what the competition is doing. An evaluation of the market will provide data on market demand, patron statistics, dining trends and habits. Allow the time and energy to shop the competition and pay attention to these major factors:

- *ambiance*—How are the decor and theme of the restaurant presented? What type of lighting is used? Is there music/entertainment? Are the tabletops effective?
- *service*—Is the service prompt and timely? Are the personnel pleasant and cordial? Is the service procedure correct?
- *food and beverage*—What are the signature items? What is the quality of the food and beverage?
- *value*—What are the price ranges of each category of food?
- *cover counts*—How many guests are dining during a busy meal, and what is the count during a slow period?
- *additional services*—Does the property offer banquet facilties or takeout services?

After the fact-finding mission, analyze the total picture by preparing a spreadsheet that details the food and beverage selections and prices. The spreadsheet will prove valuable in determining your niche in the market.

Interview restaurant critics/reviewers

One often overlooked resource for menu development assistance is the local restaurant critic or reviewer. Few people in a community are as well-acquainted with the area dining spots as the restaurant reviewer. A local reviewer can be contacted to provide specific information on favorite regional foods, preferred preparation techniques and appropriate range of prices as well as to confirm the validity of your basic concept.

Attend food shows

Food shows are an excellent way to obtain menu ideas. Local, state and national restaurant association shows provide an extensive view of equipment and foods. In addition, they frequently offer educational programs that provide timely information on the topic of menu development. Not to be missed at the national or state shows is the culinary art salon, which features new menu ideas along with trend-setting garnishes.

Although the initial sample tastings of food products at food shows are not as formalized as official taste test panels, be sure to taste products critically. Judge each product for taste/seasonings, texture, appearance and portion size.

Also ask yourself these questions:

- Does the product fit in with my concept and theme?
- How will customers accept this product?
- Would use of a commercial item result in a better product?
- Would the restaurant lose part of its appeal by using convenience products?

Consider using commercial products if the switch to a prepared product would upgrade the standards, quality and consistency of the menu items, would increase the bottom line by lowering labor costs or would compensate for menu limitations due to inadequate kitchen equipment or ventilation. For example, when renovating space for an existing office building or in a store within a mall, the ability to vent grease-laden vapors may not be possible. In such a case the use of convenience products would provide more variety. Commercial products may also be the answer if there is high staff turnover, if an operation is rapidly expanding into several outlets or if a union wage scale prohibits the employment of specialized personnel, such as bakers.

A number of large food purveyors sponsor their own annual food shows to display their products. These shows offer a glimpse at product trends and provide considerable prod-

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uct information. Careful analysis of how these food items relate to your proposed menu is often worth your time.

> **"Pay as much attention to the dessert listings as to the entree category."**

Develop a unified theme

All areas of a restaurant, including external and internal design, space utilization, food and beverage selections, service style, type of entertainment and price structure, must work together to present a unified theme. For example, a "gay 90s" theme could be supported by turn-of-the-century furnishings, a menu that resembles an old-fashioned newspaper, service personnel wearing bow ties and aprons and music provided by a player piano.

The messages conveyed by the menu, in terms of the selections offered, the range of prices and the descriptions used, should complement one another. The design, color and general appearance of the menu should match the decor, style and quality of the restaurant.

Include current trends

Including trends within the menu makes good business sense since today's dining patron requires a menu with variety and imagination. An excellent starting point is to research industry periodicals, cookbooks and food magazines that highlight trends.

Other resources for good menu suggestions geared to quantity production are available from trade associations, corporations and regional economic and community development councils.

Today's trends reflect the diverse preferences of the dining patron. Current concepts include strong customer attraction to

- American regional cuisine
- on-premises baking
- non-alcoholic drinks
- healthy fare
- daily features selections
- hardwood grilling
- traditional ethnic foods and
- grazing.

Analyze nutritional content

Since nutrition is a key concern of today's dining patrons, many restaurateurs are interested in incorporating "healthy fare" into their menus. During the recipe research stage of menu development, recipes can be nutritionally analyzed for content of fat, sugar, salt, calories, etc.

Other ways to boost the nutritonal content of the menu include

- replacing sauteing and frying with more nutritionally advantageous techniques of broiling, steaming, baking or poaching.
- using fresh spices and herbs to improve flavors of simply prepared foods and to cut down on the need for salt.
- creating signature sauces that rely on citrus products or wine instead of cream and butter and
- featuring sections on both lunch and dinner menus that offer "light fare" as well as salads, combinations of soup and salad or soup and a half-sandwich.

Ensure variety and balance of menu items

Once you have finished the preliminary research, develop an outline for your menu that includes each major category, such as appetizers, soups, salads, sandwiches, entrees, desserts and beverages. This outline can be used to assure a balance of food items in keeping with your competitive analysis and the expectations of your targeted dining guest. It can also help you decide how many menu items to include.

The right combination of different foods, flavors, methods of preparation and food temperatures should produce a menu with enough variety to please your targeted guest.

From the structure and guidelines that are provided in the menu outline, develop a descriptive menu. Be sure menu descriptions are accurate, include primary ingredients and the main method of preparation for each item. If a food offering is unusual, or is a signature item, the description should detail the merits of that selection. The menu that communicates is

Plating and Portioning Guide

Recipe:

Date:

Item:

Meal period:

Station:

Plate:

Ingredients	Portion	Garnish	Accompaniments

a far better sales tool than one that simply lists foods and beverages. Here is an example of how a menu from an all-purpose hotel restaurant moved from the outline to the descriptive stage.

Menu outline	**Descriptive menu**
2 poultry entrees	(1) Breast of Chicken with Champagne Cream Sauce (2) Roasted Chicken Cordon Bleu
3 seafood entrees	(1) Beer Battered Coconut Shrimp (2) Baked Scallops de Jonghe (3) Seafood Brochette with Shrimp, Scallops, White Fish and Vegetables
1 fish entree	Fresh Fish of the Day
3 beef entrees	(1) Roast Prime Ribs of Beef (2) Chargrilled Filet Mignon (3) Top Sirloin with Red Onion Butter
1 lamb entree	Mustard Ginger Lamb Chops

A features or specials section on your menu can provide a manageable means of expanding the menu and providing variety. It can give you the opportunity to

- use fresh seasonal food products
- take advantage of purveyors' specials
- alter the price range to cater to special groups and
- develop a seasonal wine menu.

Price the menu accurately

The strategy for menu pricing includes four major steps.

- Analyze the cost of each recipe to include not only the ingredients but also all the surrounding items, such as the garnish and accompaniments.
- Review the prices charged by the competition.
- Determine the selling prices of each item based on your food and beverage cost goals. All menu categories should reflect a range of prices in keeping with the average check. For example, if the predicted average check for food is in the $20 range, appetizers should fall between $3 to $5 each, entrees should be in the area of $10 to $18 and desserts should be between $2 and $4 each.
- Decide the menu item's position on the menu based on the profit each item will yield. As a general rule, the first listing of each category is the best seller, so the item that provides the biggest profit should be listed in that optimum location.

Check on availability of food products

For items that are to be included on the permanent menu, be sure to check on year-round availability at acceptable prices. For example, the price range of some seafood and fresh vegetables fluctuates to such a degree that unless the year-round average price of an item is considered, the targeted food cost cannot be met. In addition to assuring a fairly consistent price level, be sure that the food quality can also remain stable.

Taste test score sheet

Ratings

5 Excellent 4 Above average 3 Average 2 Below average 1 Poor				
Taste				
Seasoning				
Portion size				
Appearance				
Plate presentation				
Garnish				

Comments ____________________

____

____

Carefully analyze the menu mix based on frequency of deliveries, amount of storage space and turnover. When selecting food items, be sure they can be used in different ways on the menu. This is especially critical for perishable items, such as seafood. For example, if mussels are featured as an appetizer item, include mussels as an ingredient in a seafood and pasta salad.

Match the menu with the skill level of kitchen personnel and balance the production stations

The skill level of your production staff is critical to the success of the menu. The capabilities required at the saute station, the experience necessary in the bakery, the knowledge of the meat cookery mandatory at the broiler station and the artistic attention needed at the pantry station are considerations to be matched against the skills of local food production personnel. It is senseless to write an upscale menu unless the talent exists to produce the menu with consistent quality. Of course, training tools are the best way to ensure consistent quality once the staff is matched up to the skill level demanded by the menu.

Be sure to establish a balance among the various work stations so that the staff and equipment can be utilized to their fullest potential. The intent is to provide an equal workload of equipment and staff by developing a menu that will yield a combination of broiling, frying, sauteing and other cooking methods. A production station flowchart serves as a scheduling technique to ensure that one area of the kitchen is not overloaded while another stands idle. It verifies that the proposed menu can be produced with the available kitchen equipment.

Control labor costs

When designing a menu, several factors can assist in saving labor costs. Among these are

- *kitchen design* that allows production to flow smoothly. The size and layout of the kitchen dramatically affect the efficiency of the operation.
- *quality convenience foods* that meet the same level of quality or offer su-

> **"As a general rule, the first listing of each menu category is the best seller."**

perior quality to products made "from scratch."

- *equipment* that keeps manual labor to a minimum.

Increase sales with menu merchandising of appetizers and desserts

Be sure to include interesting appetizers and desserts that entice the dining guest into an unplanned purchase. All too frequently appetizer selections contain outdated standbys, such as a fruit cup, or high-priced presentations, such as shrimp cocktail. These items do not entice customers and, therefore, sales are low. But if the appetizer selections include current and interesting items, such as wide selections of ethnic offerings, appetizer sales should increase. Although these selections are presently enjoying a great deal of acceptance, within a few seasons they, too, will be out of date and should be replaced with other items.

Pay as much attention to the dessert listings as to the entree category. There should be a carefully planned balance of offerings that might include a traditional American apple pie or a variation of this most popular dessert. Other best sellers to include in the dessert section might be cheesecake, ice creams and a chocolate offering. Be sure to include at least one low-calorie dessert to provide variety. Finally, the dessert selections should entice the guests with appealing descriptions.

Now that the research stage of the menu development process is complete, the next step is to establish control with tested standardized recipes, portion controls and garnishing standards.

Test recipes and make adjustments

Proper research and testing of recipes are important factors affecting the success of any given menu item. The proposed recipes should be tested in a commercial environment. Any adjustments required due to available equipment, holding times and volume produced should be made.

For example, when using a tilting skillet, considerations must be made for the loss of moisture due to surface exposure.

Standardize recipes

After the initial testing, recipes should be documented to ensure that ingredients and their measurements are used accurately. Standardized recipes also assure that the finished product is of consistent quality regardless of who prepares the product. They also provide a ready basis for cost analysis and a cost per serving.

A number of factors should be included within each standardized recipe format. They are

- *the name of the recipe* with the number and size of portions
- *a list of ingredients*, with a statement of amount and weight and/or volume and description. Use descriptive terms before the name of the ingredient to designate the kind or form required. For example, canned tomatoes, cooked turkey, active dry yeast, boiling water, sifted flour. Use descriptive terms after the name of the ingredient to designate necessary preparation which makes the form of the ingredient different from the form as purchased or cooked. For example, canned diced beets, drained; onions, chopped; celery, cut in one-inch pieces.
- *the order and method of combining ingredients*
- *equipment* required for processing
- *appearance or condition at various stages*, as a guide during the preparation
- *the processing time*
- *temperatures* to be used in processing and
- *any special directions* or descriptions needed to guide quality, control portion size or add appeal.

Conduct a taste testing

As a major part of the menu development process, organize a taste test panel. Panel members should be impartial and have a broad range of foodservice experience. They should judge the quality, taste, seasoning, portion size and presentation of food. (See sample score sheet.)

Once the panel members have rated the product or recipe, the group should discuss the item and make recommendations. The outcome of the taste test panel should be a final menu with accompanying standard recipes.

Establish garnish, plating and portion standards

Another helpful method of documentation is a plating, portioning and photography guide. The guide ensures consistency of plate presentation. Each production station should have a laminated guide sheet depicting every item produced at that station, with instructions for assembling the items.

Just as fashions change, so do the criteria for garnishing food. The present trend is to provide an edible garnish that adds value and complementary flavors to the main item. The garnish should be practical, with the ability to withstand the heat of warming lamps. The colorful savoy kale and the traditional dark green kale are examples of attractive and hearty garnishes.

Portions should, at least, meet industry standard trends. For example, the portion size for a hamburger in today's marketplace must be at least one-third of a pound and preferably one-half of a pound of ground beef. Pricing of each menu item is directly related to the portion served. Therefore, it is important to establish portion sizes and to document those in recipes and standard portion charts for the production staff.

In sum . . .

A systematic approach to creating a new menu requires coordination of industry resources with established controls. The end product should be a menu that is efficiently and consistently produced in the kitchen and pleasing to the dining guests. ❑

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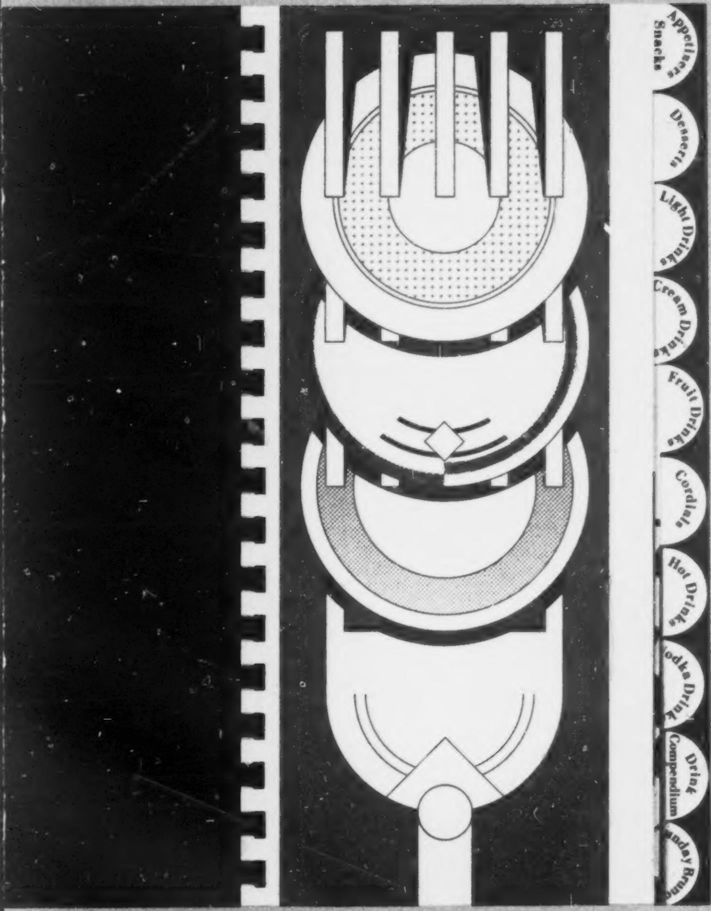
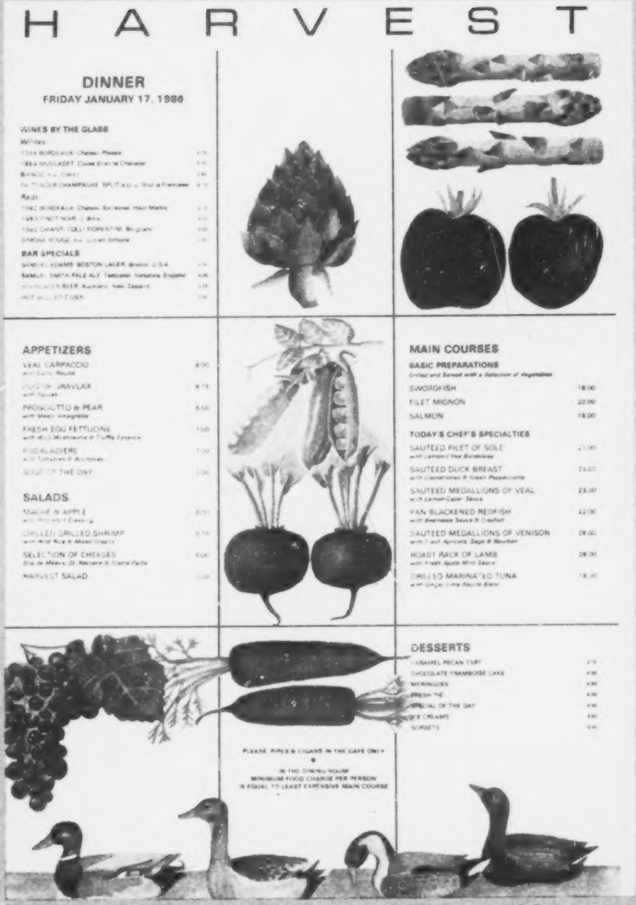
Menu Size Debate

LARGE VS. SMALL

by Cecelia Niepold



T.G.I. Friday's (Dallas, TX) provides a colorfully designed "book" of diverse entrees.



H A R V E S T

DINNER
FRIDAY JANUARY 17, 1986

WINES BY THE GLASS

BAR SPECIALS

APPETIZERS

VEAL CARPACCIO

PROSCIUTTO & PEAR

FRESH EGG FETTUCINE

SOUP OF THE DAY

SALADS

SELECTION OF CHEESES

HARVEST SALAD

MAIN COURSES

BASIC PREPARATIONS

SWORDFISH	18.00
FILET MIGNON	20.00
SALMON	18.00

TODAY'S CHEF'S SPECIALTIES

SAUTEED FILET OF SOLE

SAUTEED DUCK BREAST

SAUTEED MEDALLIONS OF VEAL

PAN BLACKENED REDFISH

SAUTEED MEDALLIONS OF VENISON

ROAST RACK OF LAMB

GRILLED MARINATED TUNA

DESSERTS

Harvest in Cambridge, MA, offers a limited menu which changes daily to reflect seasonal items.

A menu's size is as individual as a restaurant's personality. Some menus are large, almost book-size, offering dozens of options to please a broad-based clientele. Others are small, with a dozen entrees or less that change daily, in keeping with a restaurant's intimate, personalized focus or perhaps its emphasis on seasonal specialties.

There is no perfect formula. In fact, as this article points out, there are advantages and disadvantages to both types of menus—and the wide spectrum in between. No matter what the size, however, a menu signals who you are to your customers and helps provide a framework for how you run your operation in both the front and back of the house.

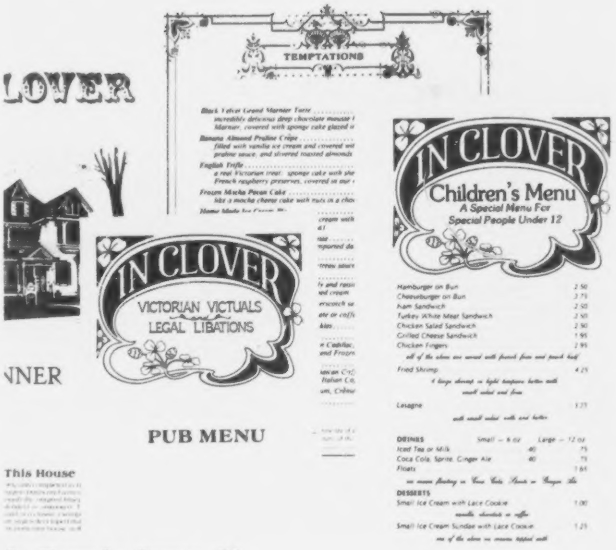
Large menu PROS

Many restaurateurs have found that offering a wide variety of entrees can be a plus. Here are some of the reasons why.

Broader customer base. Large menus often appeal to a broader range of customers.

The T.G.I. Friday's menu, for instance, has been designed to "offer something for everyone." Believing that dining out is no longer a special occasion but a way of life, Friday's offers a variety of entrees to suit any whim. "We wanted a broad enough representation so customers would not have to make a menu selection before coming to us," explains Dan Scoggin, president and CEO of the chain. Consequently, menu items range from appetizers, which can be eaten as small meals, to full-size dinners.

New patrons. Some restaurateurs believe that patrons are more comfortable trying an unfamiliar restaurant or concept if the menu offers enough choice.



LOVER

TEMPTATIONS

Black Velvet Grand Marnier Torte

Banana Almond Praline Crêpe

English Trifle

Frozen Mocha Pecan Cake

IN CLOVER
VICTORIAN VICTUALS
and
LEGAL LIBATIONS

NNER

PUB MENU

This House

IN CLOVER
Children's Menu
A Special Menu For
Special People Under 12

Hamburger on Bun	2.50
Cheeseburger on Bun	2.75
Ham Sandwich	2.50
Turkey White Meat Sandwich	2.50
Chicken Salad Sandwich	2.50
Grilled Cheese Sandwich	1.95
Chicken Fingers	2.95
Fried Shrimp	4.25
Lasagne	3.25

DRINKS	Small – 8 oz	Large – 12 oz
Iced Tea or Milk	.40	.75
Coca Cola, Sprite, Ginger Ale	.40	.75
Floats		1.65

DESSERTS

Small Ice Cream with Lace Cookie	1.00
Small Ice Cream Sundae with Lace Cookie	1.25

In Clover, La Grange, GA

Harry Whelden found this to be true at his 220-seat Maine Lobster in Sioux Falls, SD. The restaurant offers more than 30 different entrees, but the primary emphasis is on fresh seafood. Enticing beef-bred Midwesterners to try unfamiliar seafood dishes was a challenge. To overcome customers' hesitancy, Whelden decided to pair seafood selections with beef, rib or chicken dishes. The combination platters have worked well.

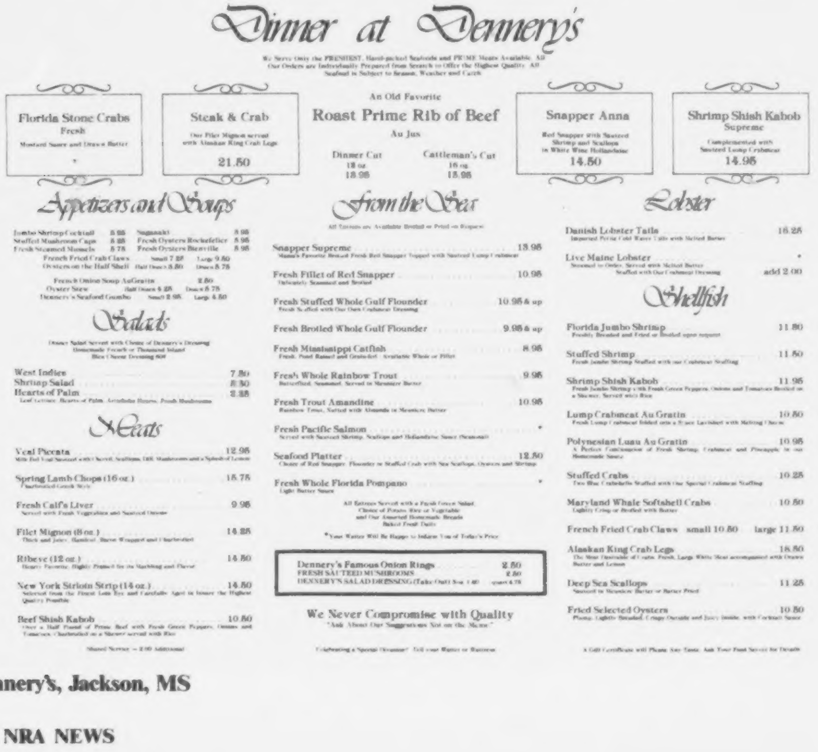
Repeat business. Customers may return more frequently if they know a restaurant offers different entrees to suit different moods.

Repeat patronage is a top priority for Johanna Stark, owner of In Clover, a 110-seat restaurant located in the small town of La Grange, GA. Because her customer market is limited by the town's population, Stark offers more than 20 entrees, including beef, poultry, seafood and vegetarian dishes, to get the same people to come back more frequently. "One week people will come in after the movies for a quick hamburger; the next week they may come in to entertain friends for dinner," Stark reports.

Responsiveness to customers. Large inventories generally go hand-in-hand with extensive menus. Having extra ingredients available can help restaurateurs meet the needs of their customers more effectively.

This is an important advantage for The Pump Room, an elegant 250-seat restaurant in the Ambassador East Hotel in Chicago, IL, which caters to hotel guests as well as local patrons. "If a customer comes in and wants something special, chances are that we'll have it in-house or at least have something that will meet their needs," says Susan Stiles, general manager. In addition, the restaurant offers five daily menus that feature a mixture of American and Continental dishes.

Menu flexibility. Large inventories also provide the opportunity to introduce new items without drastically altering the menu. This can be a plus for restaurateurs who want to keep up with changing customer tastes. A flexible inventory can also help reduce waste since chefs can utilize leftover or extra in-



Dinner at Dennery's

Florida Stone Crabs	Steak & Crab	Roast Prime Rib of Beef	Snapper Anna	Shrimp Shish Kabob Supreme
Fresh Mustard Sauce and Drawn Butter *	Our Filet Mignon served with Alaskan King Crab Legs 21.50	An Old Favorite Au Jus Dinner Cut 12 oz 13.95 Cattleman's Cut 16 oz 15.95	Red Snapper with Sauteed Shrimp and Scallops in White Wine Hollandaise 14.50	Complemented with Sauteed Lump Crabmeat 14.95

Appetizers and Soups

Jumbo Shrimp Cocktail	5.95	Saganaki	5.95
Stuffed Mushroom Caps	5.25	Fresh Oysters Rockefeller	5.95
Fresh Steamed Mussels	5.75	Fresh Oysters Bienville	5.95
French Fried Crab Claws	Small 7.25	Large 9.50	
Oysters on the Half Shell	Half Dozen 3.50	Dozen 5.75	
French Onion Soup AuGratin	2.50		
Oyster Stew	Half Dozen 4.25	Dozen 5.75	
Dennery's Seafood Gumbo	Small 2.95	Large 4.50	

Salads

West Indies	7.50
Shrimp Salad	8.50
Hearts of Palm	3.25

Meats

Veal Piccata	12.95
Spring Lamb Chops (16 oz.)	15.75
Fresh Calf's Liver	9.95
Filet Mignon (8 oz.)	14.25
Ribeye (12 oz.)	14.50
New York Sirloin Strip (14 oz.)	14.50
Beef Shish Kabob	10.50

From the Sea

Snapper Supreme	13.95
Fresh Fillet of Red Snapper	10.95
Fresh Stuffed Whole Gulf Flounder	10.95 & up
Fresh Broiled Whole Gulf Flounder	9.95 & up
Fresh Mississippi Catfish	8.95
Fresh Whole Rainbow Trout	9.95
Fresh Trout Amandine	10.95
Fresh Pacific Salmon	*
Seafood Platter	12.50
Fresh Whole Florida Pompano	*

Dennery's Famous Onion Rings	2.50
FRESH SAUTEED MUSHROOMS	2.50

We Never Compromise with Quality

Lobster

Danish Lobster Tails	16.25
Live Maine Lobster	*
Stuffed with Our Crabmeat Dressing	add 2.00

Shellfish

Florida Jumbo Shrimp	11.50
Stuffed Shrimp	11.50
Shrimp Shish Kabob	11.95
Lump Crabmeat Au Gratin	10.50
Polynesian Luau Au Gratin	10.95
Stuffed Crabs	10.25
Maryland Whale Softshell Crabs	10.50
French Fried Crab Claws	small 10.50 large 11.50
Alaskan King Crab Legs	18.50
Deep Sea Scallops	11.25
Fried Selected Oysters	10.50

Dennery's, Jackson, MS

gredients to create new dishes.

John Dennery, owner of the 250-seat Dennery's in Jackson, MS, has successfully used his restaurant's extensive inventory to expand his restaurant's well-established traditional steak and seafood menu without alienating loyal customers. Rotating specials, ranging from nouvelle cuisine dishes to entrees with a Cajun accent, are created from the existing inventory.

Large menu CONS

Large menus also have some disadvantages. Here is a look at several of the potential problems that can accompany large menus and some suggestions for managing them.

Inventory expense. Large menus require an extensive inventory. This can be expensive to maintain as well as hard to plan for. Purchasing inaccurate quantities can lead to waste or inconvenient shortages. To avoid such problems, operators suggest

- keeping accurate records to monitor inventory and sales of individual items,
- utilizing ingredients in more than one dish and
- developing specials that take advantage of extra ingredients or slow-selling items.

Maintaining fresh quality. "Every restaurant critic is convinced you can't have a menu the size of ours and still serve fresh food," says Vinnie Pascal, a partner in the 350-seat America restaurant in New York City, which offers almost 200 regional American entrees. But Pascal is positive that quality can be maintained with proper purchasing and planning, such as

- scheduling frequent deliveries to avoid excess storage,
- working with a variety of suppliers to ensure top quality and
- developing control systems, such as day-dating and rotation procedures.

Space requirements. Maintaining a large inventory requires ample storage, cooking equipment and work areas. Careful equipment purchasing and kitchen design can boost space effectiveness. Choosing menu items that can be prepared in similar ways also can help maximize equipment usage.

Training. "The more complex the menu, the more professional the people have to be," maintains Dan Scoggin of Friday's. There is no doubt about it, extensive menus require more staff training. Chefs must be more versatile, and servers must understand a variety of preparation and presentation techniques so they can thoroughly explain all dishes to customers.

After the initial training period, John Dennery has found that posting daily menu changes and providing staff with samples of new items helps make menu transitions smoother.

Vague image. The old saying, "You can't be everything to everyone," still rings true in the restaurant business. Restaurants that try to offer a little of everything can end up with an identity crisis. Offering variety can entice customers, but too many options can also confuse customers' perceptions of a restaurant.

Limited menu PROS

Offering fewer menu items can simplify and reduce operational costs—a real plus. Here are some reasons why.

Low overhead. For many restaurants, particularly small establishments, operational expenses are a prime concern. A limited menu can keep these costs down.

At the Cafe Musee, an 80-seat eatery located in the J.B. Speed Museum in Louisville, KY, a staff of seven seats, serves and prepares lunch for a steady crowd of museum visitors and local guests. Owner Luckett Davidson maintains that the five-item menu (which changes frequently to reflect different exhibits) keeps costs down due to its simple inventory requirements and preparation time. "We decided to do a few things really well rather than overextend ourselves," says Davidson.

Efficient inventory usage. A smaller menu generally means a less extensive inventory.

Judy Martin, co-owner of the 50-seat Vintage Year in Montgomery, AL, believes her five to six-item menu offers better inventory control than would a larger menu. "A restaurant with a large menu that has a slow night can be stuck with a lot

PIANO LOUNGE · RESTAURANT · GALLERY
VINTAGE YEAR

Vintage Year, Montgomery, AL

of wasted food," she says.

Ability to use seasonal ingredients. Offering a limited number of entrees often enables operators to take advantage of unusual seasonal items. This is the case at Chanterelle in Manhattan where the menu changes every other week. "For us it was important to focus in on unusual items that were not always available," says Karen Waltuck, co-owner.

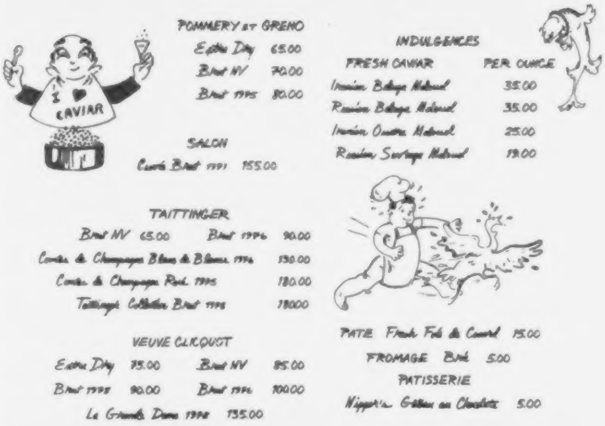
Quality control. Carl Hinshaw, co-owner of the 150-seat Chalet Suzanne in Lake Wales, FL, has found that offering a small menu is the best way to maintain quality. His formula has worked well for the Chalet; its carefully developed seven-item gourmet menu has been a central Florida landmark for more than half a century.

Flexibility. Many chefs enjoy the stimulation of constant change and innovation, and a small menu, which can be changed frequently, offers an avenue for this kind of creativity.

For instance, Carol Serber, co-owner and chef of the 100-seat Troutdale restaurant in Troutdale, VA, adapts her 10 to 13-item menu according to what is in season and what mood she is in. "I don't have to stay with any one style," she explains. "It gives me the opportunity to experiment and give people a taste of different things." For variety, Serber takes advantage of local ingredients, the fish her husband catches daily in nearby streams and fresh vegetables and herbs from their garden.

Unique niche. Many operators have found that focusing on a few select specialties can help create a distinct personality or sparkle for their restaurant.

Nipper's, a 100-seat restaurant in Beverly Hills, CA, has found success with a very focused but limited menu—champagne, caviar and desserts. Although a wide variety of champagne is available, only a few luxurious edibles are offered. Owners Horatio Lonsdale-Hands and Arthur von Wiesenberger wanted to create a unique restaurant that would appeal to a sophisticated upscale crowd. The limited menu with its distinctly elegant flavor provides the framework for their concept.



POMMERY ET GRENO
Extra Dry 65.00
Brut NV 70.00
Brut 1985 80.00

SALON
Cuvée Brut 1981 155.00

TAITTINGER
Brut NV 65.00 Brut 1986 90.00
Comtes de Champagne Blanc de Blancs 1986 130.00
Comtes de Champagne Rosé 1985 180.00
Taittinger Collection Brut 1978 180.00

VEUVE CLICQUOT
Extra Dry 75.00 Brut NV 85.00
Brut 1985 90.00 Brut 1986 100.00
La Grande Dame 1985 135.00

INDULGENCES
FRESH CAVIAR PER OUNCE
Iranian Beluga Malossol 35.00
Russian Beluga Malossol 35.00
Iranian Osetra Malossol 25.00
Russian Sevruga Malossol 19.00

PATE Fresh Foie de Canard 15.00
FROMAGE Brie 5.00
PATISSERIE
Nipper's Gâteau au Chocolat 5.00

Nipper's, Beverly Hills, CA

Limited menu CONS

Here are several drawbacks of limited menus and some ways for solving the possible problems.

Narrower customer base. Limited menus offer fewer choices. This can reduce a restaurant's customer base. To present a broader image most operators balance their menus. Judy Martin at Vintage Year always includes seafood as well as poultry, veal or beef on her five to six-item menu. To tempt customers to try unfamiliar items, Martin presents complimentary appetizer-size portions of new entrees at the beginning of the meal. "Sometimes people are just afraid to order something they haven't tried," she says. "Once they taste it and find they like it they usually order it."

Other restaurateurs maintain that their small menu operations are flexible enough to accommodate individual preferences. As Carol Serber says, "Because our food is not prepared in advance, I can easily fix a special dish for someone." She believes this kind of personal touch encourages patrons to come back to Troutdale.

Less repeat business. Because of the limited number of entrees, customers may perceive the establishment as only a "special occasion" place.

To combat this, many operators with limited menus vary their selections frequently. "Customers know we have a limited menu and that we change it," says Karen Waltuck at Chanterelle. "They get excited about the changes and call up to find out what's coming next so they can make reservations."

Not all operators with small menus change their selections to entice patrons, however. The menu at Chalet Suzanne has not changed during the 54 years the restaurant has been in operation, but customers return over and over again to order their favorite dishes.

Maintaining enough inventory. Ironically, although small menus offer better inventory control, maintaining enough inventory can be a problem. "Because we are small and out of the way, we have trouble getting people to deliver since we don't need bulk orders," explains Carol Serber whose Troutdale restaurant is nestled in the Virginia mountains. To solve the problem, Serber tries to plan ahead and purchase larger quantities of hard-to-get items. She also has learned to be very flexible and simply devises new menus when she cannot get certain ingredients.

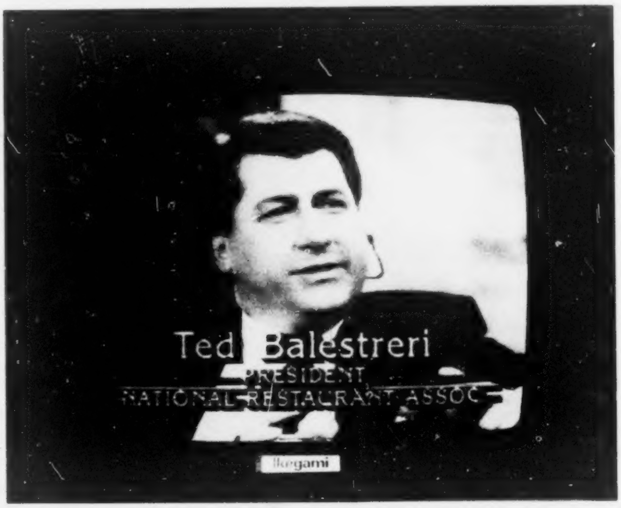
Limited-menu restaurants in bustling towns may have difficulty making purchases as well. Small suppliers can offer more flexibility. Independent local farmers also can be an excellent source of fresh products.

Developing new ideas. Innovative creations are often a trademark of small-menu restaurants, but constantly developing new combinations can be tough. "Although it is fun changing the menu every week or two, coming up with new ideas and training the staff can be very time-consuming," says Judy Martin. To make things work, Martin underscores the importance of good staff communication and recommends that the chef be an integral part of the decision-making process. ☐

THE BOARD ROOM

Balestreri in the spotlight on "Good Morning America"

Since assuming office last May, NRA Chairman of the Board and President Ted J. Balestreri (Sardine Factory, Monterey, CA) has proven to be an effective communicator with the media. In addition to a battery of media tours across the country to emphasize the negative economic consequences of reducing the deduction for business entertainment meals, Balestreri has appeared on ABC-TV's highly-rated morning show, "Good Morning America." During his Friday, January 10 appearance with show host David Hartman, Norman Brinker of Chili's, Inc. and Allen Bernstein of Le Peep Restaurants, Balestreri discussed the growth of the $186 billion foodservice industry and trends fueling industry expansion, such as breakfast business, takeout foods and the consumer's continued interest in the hamburger.



NRA produces video opposing business meal caps

With the Senate finance Committee soon to begin hearings on H.R. 3838, the House tax bill which includes a provision limiting all business meal deduc-

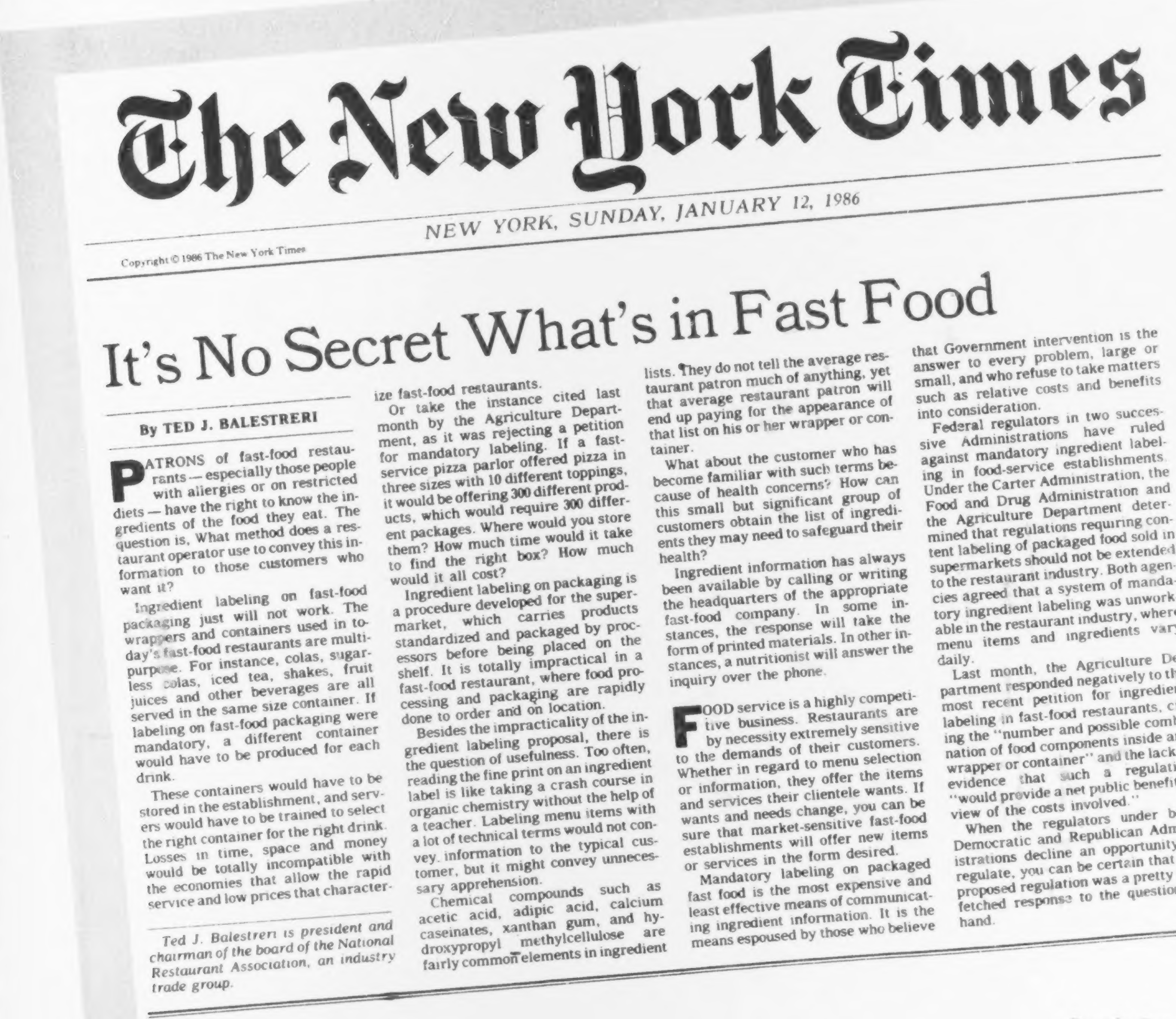
NRA President and Chairman of the Board Ted Balestreri voices the industry's opposition to limiting business meal deductions in NRA-produced video.

tions to 80 percent, the National Restaurant Association is producing a videoclip voicing the industry's opposition to this measure. NRA Chairman of the Board and President Ted Balestreri (Sardine Factory, Monterey, CA), Vice President G. "Jim" Hasslocher (Frontier Enterprises, San Antonio, TX); Treasurer Michael J. Grisanti (Casa Grisanti, Inc., Louisville, KY) and NRA Director John R. Farquharson (ARA-SERVE, Philadelphia, PA) are featured speakers in the 15-minute program, which will be sent to President Reagan, members of the Senate Finance Committee and state restaurant associations across the country.

If you agree that efforts to limit the business meal deduction are unjust and will result in decreased restaurant sales, lost jobs and reduced monies for federal, state and local treasuries, write your U.S. senators at the U.S. Senate, Washington, D.C. 20510.

New York Times runs Balestreri article

NRA Chairman of the Board and President Ted J. Balestreri took up the foodservice industry's banner against mandatory labeling of packaged fast food in a guest editorial in the business section of the Sunday, January 12, 1986 *New York Times*. Balestreri's piece, entitled "It's No Secret What's in Fast Food," restates the industry's opposition to this impractical and costly measure, a position also recently embraced by the U.S. Department of Agriculture. The piece is printed in its entirety below:



The New York Times

NEW YORK, SUNDAY, JANUARY 12, 1986

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It's No Secret What's in Fast Food

By TED J. BALESTRERI

PATRONS of fast-food restaurants — especially those people with allergies or on restricted diets — have the right to know the ingredients of the food they eat. The question is, What method does a restaurant operator use to convey this information to those customers who want it?

Ingredient labeling on fast-food packaging just will not work. The wrappers and containers used in today's fast-food restaurants are multipurpose. For instance, colas, sugarless colas, iced tea, shakes, fruit juices and other beverages are all served in the same size container. If labeling on fast-food packaging were mandatory, a different container would have to be produced for each drink.

These containers would have to be stored in the establishment, and servers would have to be trained to select the right container for the right drink. Losses in time, space and money would be totally incompatible with the economies that allow the rapid service and low prices that characterize fast-food restaurants.

Or take the instance cited last month by the Agriculture Department, as it was rejecting a petition for mandatory labeling. If a fast-service pizza parlor offered pizza in three sizes with 10 different toppings, it would be offering 300 different products, which would require 300 different packages. Where would you store them? How much time would it take to find the right box? How much would it all cost?

Ingredient labeling on packaging is a procedure developed for the supermarket, which carries products standardized and packaged by processors before being placed on the shelf. It is totally impractical in a fast-food restaurant, where food processing and packaging are rapidly done to order and on location.

Besides the impracticality of the ingredient labeling proposal, there is the question of usefulness. Too often, reading the fine print on an ingredient label is like taking a crash course in organic chemistry without the help of a teacher. Labeling menu items with a lot of technical terms would not convey information to the typical customer, but it might convey unnecessary apprehension.

Chemical compounds such as acetic acid, adipic acid, calcium caseinates, xanthan gum, and hydroxypropyl methylcellulose are fairly common elements in ingredient lists. They do not tell the average restaurant patron much of anything, yet that average restaurant patron will end up paying for the appearance of that list on his or her wrapper or container.

What about the customer who has become familiar with such terms because of health concerns? How can this small but significant group of customers obtain the list of ingredients they may need to safeguard their health?

Ingredient information has always been available by calling or writing the headquarters of the appropriate fast-food company. In some instances, the response will take the form of printed materials. In other instances, a nutritionist will answer the inquiry over the phone.

FOOD service is a highly competitive business. Restaurants are by necessity extremely sensitive to the demands of their customers. Whether in regard to menu selection or information, they offer the items and services their clientele wants. If wants and needs change, you can be sure that market-sensitive fast-food establishments will offer new items or services in the form desired.

Mandatory labeling on packaged fast food is the most expensive and least effective means of communicating ingredient information. It is the means espoused by those who believe that Government intervention is the answer to every problem, large or small, and who refuse to take matters such as relative costs and benefits into consideration.

Federal regulators in two successive Administrations have ruled against mandatory ingredient labeling in food-service establishments. Under the Carter Administration, the Food and Drug Administration and the Agriculture Department determined that regulations requiring content labeling of packaged food sold in supermarkets should not be extended to the restaurant industry. Both agencies agreed that a system of mandatory ingredient labeling was unworkable in the restaurant industry, where menu items and ingredients vary daily.

Last month, the Agriculture Department responded negatively to the most recent petition for ingredient labeling in fast-food restaurants, citing the "number and possible combination of food components inside any wrapper or container" and the lack of evidence that such a regulation "would provide a net public benefit in view of the costs involved."

When the regulators under both Democratic and Republican Administrations decline an opportunity to regulate, you can be certain that the proposed regulation was a pretty far-fetched response to the question at hand. ■

Ted J. Balestreri is president and chairman of the board of the National Restaurant Association, an industry trade group.

—Dorothy Dee

People skills of successful executives

Some key executives not only reach the pinnacle of success in their organizations but also move those organizations to even greater heights. I have tried to identify those qualities that can lead to major accomplishment and success so those elements can be cultivated in others. I have observed and worked with a number of highly successful executives in the past and have found five "people skills" common to all of them. Here they are, in no particular order of priority.

1. Are supportive of subordinates. Successful executives do not emotionally abuse or bruise people with cynicism or sarcasm. They do not take precipitous or whimsical actions that embarrass or reduce the stature of subordinates in the eyes of others, betray trust or exercise unwarranted power that undercuts or retards the best interest of their subordinates and the long-term best interest of the organization.

Successful executives are supportive of people, possessing an ability to remember names and circumstances that are of personal importance to those under them. In this way, successful executives are considered to be "down to earth," thoughtful, caring people—not just business automatons. They emphasize the positive traits and virtues of subordinates and frequently acknowledge the "team" nature of organizational endeavors without sounding like a paid corporate cheerleader. They are able to evoke the maximum effort of subordinates by bonding performance to organizational loyalty. They stand behind and with subordinates.

2. Delegate trust. Successful executives have made the transition from being "hard charging go-getters" to deliberative "thinker-planners" looking to the long-term future of their organizations. They recognize they cannot do all the work themselves.Thus, they delegate responsibility and assignments, but they also delegate trust, which subordinates perceive as an expression of mutual commitment. In this way, successful executives are more than leaders of their organizations: They are statesmen and stateswomen of their industries and, often, of their communities as well.

3. Balance control. Successful executives do not overmanage by overcontrolling, overanalyzing, overreporting, overcommunicating or overmeeting. Nor do they cause overwork. They keep effectiveness and efficiency in mind, to be sure, but they also structure control systems to facilitate progress, not inhibit it. They are not encircled in their thinking nor are they chained to their personal past or to the tradition or custom within their organizations. They stress *adaptation* and imbue this outlook in subordinates. They are open, not secretive, and encourage contrary views in an atmosphere of respectful tolerance to be sure all views are expressed.

4. Approach people directly. Successful executives are very direct in their relationships with others. Not only is this necessary from a time-saving standpoint, but the sturdy organizational framework that comes from people "being up-front" and "knowing where they stand" is also the healthiest environment in which to thrive.

Successful executives do not engage in, or promote, internal political intrigue or tolerate destructive rival factions within the organization. They are outspoken without being offensive, objectively critical without being caustic, future-focused within the bounds of reality and measurement-conscious without being inflexible. They are understanding at both the human and business levels.

5. Possess "sixth sense" about people. Successful executives seem to have an innate ability to "read" people quickly and accurately; and accordingly, they surround themselves with other able persons possessing complementary talents with minimal conflicting or irritating characteristics. Successful executives give considerable rein to their subordinates and do not "bash them" to fit preformed molds in an organizational cubical. They have a strong awareness of self, but they also have a keen awareness of subordinates and matters affecting them both positively and negatively. They demand of themselves and of their subordinates: excellence, not excuses; self-esteem, not haughtiness; confidence, not arrogance; concern, not insensitivity; and a progressive perspective, not blind ambition.

There are many other factors bearing on the success of successful executives, but people skills are undoubtedly the most important. Someone once said that 80 percent of successful management is getting along with people. I don't know if the number is right, but the thought certainly is. It is time for **Fisher's 69th law: There is a strong, positive correlation between good people sense and good business cents!**

Member to New Member

NRA's 1986 membership drive

Recruit a new NRA member and receive a 20% discount off next year's renewal dues. You will receive an additional 20% off your dues for each member you recruit. By signing up 5 new members, a current NRA member will qualify to receive next year's membership free.*

***PLUS* a bonus drawing for recruits**

Each qualified NRA membership recruiter** will be eligible to win in a vacation trip drawing. The vacation drawing will take place at the NRA Show in Chicago this May. The winner will have an opportunity to visit one of America's culinary capitals—New York, Los Angeles or San Francisco. Accommodations to be provided by Hyatt Hotels.

*To receive a recruiter's discount on next year's NRA membership dues, new member's dues must be at least equal to recruiter's discount.

**New memberships must be properly documented. Special application forms are being mailed to all NRA members along with more information on the NRA 1986 membership drive.

You need not be present at the NRA Show to win.

1982 Census Update

Metropolitan restaurant sales up

This article spotlights eating place sales and number of establishments for major U.S. metropolitan areas for restaurants and lunchrooms (outlets which offer tableservice) and refreshment places (limited menu, fast food restaurants which generally do not offer tableservice). It also augments regional and state sales and unit information presented in the May 1985 **NRA NEWS**. *The 27 metropolitan areas covered here, representing a broad cross section of cities across the United States, are the areas for which the government regularly publishes economic statistics such as the Consumer Price Index (CPI). The statistics are for eating places with payroll only.*

Eating place sales in many of the nation's major metropolitan areas exhibited strong growth between 1977 and 1982, according to data from the *1982 Census of Retail Trade*. Especially significant advances occurred in cities in the South and West, while metropolitan areas in the East and Midwest posted somewhat smaller advances.

Unit growth surges in South and West . . .

In general, Southern and Western metropolitan areas recorded the most substantial advances in the number of eating place establishments between 1977 and 1982. Of the 15 cities reporting above average gains in eating place units, 11 are in Southern and Western states. In addition, the top five metropolitan areas in terms of unit expansion include San Diego (up 26.0 percent), Atlanta (up 25.4 percent), Seattle (up 24.6 percent), Houston (up 21.6 percent) and Anchorage (up 21.3 percent).

Areas recording the smallest increases in the number of eating place establishments are largely in the East and Midwest and include New York (down 1.2 percent), Cleveland (up 1.9 percent), Philadelphia (up 2.0 percent) and Chicago (up 3.8 percent).

New York and Los Angeles rank one and two among the metropolitan areas surveyed in terms of sheer numbers of restaurants—10,166 and 8,830 respectively. Anchorage ranks last with only 239 outlets.

Unit growth highlights:

- Houston topped the other metropolitan areas surveyed with the most significant increase in restaurant and lunchroom establishment growth between 1977 and 1982—advancing 25.8 percent.
- Other areas reporting above average gains in restaurant and lunchroom units include Atlanta (up 20.9 percent), Honolulu (up 19.8 percent), Denver (up 18.2 percent) and San Diego (up 16.9 percent).
- The number of full service outlets fell a substantial 4.7 percent in New York during the five years between 1977 and 1982. Additionally, Cleveland, Philadelphia, Buffalo and Chicago also reported a decline in full service restaurant establishments.
- Between 1977 and 1982, the number of fast food outlets advanced at the fastest rate in Seattle, climbing 45.7 percent. San Diego posted the second highest increase, with the number of units jumping 35.6 percent. Miami came third with a 34.2 percent gain.
- Boston recorded the smallest advance in fast food unit growth, increasing a modest 5.6 percent. Other cities posting below-average fast food unit gains include New York (6.2 percent) and Cleveland (11.5 percent).

Strong eating place sales . . .

Twelve of the examined metropolitan areas posted above-average increases in eating place sales between 1977 and 1982, with Southern and Western cities recording the most notable gains. In particular, eating place sales more than doubled in Anchorage, advancing 121.7 percent. Close behind were Houston (up 119.0 percent), Dallas (up 104.8 percent) and Denver (up 100.4 percent).

In contrast, the smallest gains in eating place sales occurred in Eastern and Midwestern areas. Detroit posted the lowest advance, climbing only 48.2 percent. Not much better were Chicago (up 49.6 percent), Buffalo (up 52.1 percent), St. Louis (up 53.8 percent) and Philadelphia (up 54.5 percent).

Three of the metro areas surveyed have total restaurant sales exceeding $3.0 billion. These are Los Angeles ($3.9 billion), New York ($3.8 billion) and Chicago ($3.2 billion).

Sales highlights:

- Houston ranked first in terms of restaurant and lunchroom sales growth, leaping a whopping 132.6 percent. Dallas was second (117.7 percent) and Denver placed third (104.3 percent).
- The smallest gain in restaurant and lunchroom sales occurred in Buffalo, up 42.3 percent.
- Other cities reporting smaller than average advances in restaurant and lunchroom sales include St. Louis (up 45.8 percent), Detroit (up 48.3 percent), Chicago (up 49.8 percent) and Philadelphia (up 50.0 percent).
- Between 1977 and 1982, fast food sales more than doubled in Denver, jumping 108.2 percent. Quick service restaurant sales in Dallas and Miami also recorded outstanding gains, up 106.6 percent and 102.0 percent, respectively.
- New York recorded the smallest advance in refreshment place sales, climbing a mere 39.6 percent. Other cities posting lower than average fast food sales gains were Baltimore (up 54.2 percent), San Francisco (up 56.8 percent), Chicago (up 57.4 percent) and Detroit (up 58.4 percent).

—*Susan Adelman*

Eating place sales and establishments by metropolitan area 1977 vs. 1982

Metropolitan area	Number of establishments 1977	Number of establishments 1982	Percent change 77 to 82	Sales* (000) 1977	Sales* (000) 1982	Percent change 77 to 82
Anchorage, AK						
Restaurants & lunchrooms	N/A	N/A	–	N/A	N/A	–
Refreshment places	N/A	N/A	–	N/A	N/A	–
Total eating places	197	239	21.3%	$ 85,097	$ 188,658	121.7%
Atlanta, GA						
Restaurants & lunchrooms	814	984	20.9%	$ 240,340	$ 462,631	92.5%
Refreshment places	942	1,254	33.1	262,687	521,309	98.4
Total eating places	2,000	2,508	25.4%	$ 594,672	$1,132,562	90.4%
Baltimore, MD						
Restaurants & lunchrooms	777	786	1.2%	$ 223,765	$ 375,420	67.8%
Refreshment places	875	1,081	23.5	229,027	353,101	54.2
Total eating places	1,988	2,135	7.4%	$ 549,213	$ 871,706	58.7%
Boston, MA						
Restaurants & lunchrooms	1,371	1,563	14.0%	$ 489,382	$ 915,068	87.0%
Refreshment places	1,171	1,237	5.6	232,601	393,473	69.2
Total eating places	3,162	3,390	7.2%	$ 889,008	$1,568,873	76.5%
Buffalo, NY						
Restaurants & lunchrooms	749	737	–1.6%	$ 159,161	$ 226,479	42.3%
Refreshment places	509	600	17.9	90,869	150,746	65.9
Total eating places	1,460	1,539	5.4%	$ 291,037	$ 442,674	52.1%
Chicago, IL						
Restaurants & lunchrooms	3,600	3,593	–0.2%	$1,141,500	$1,710,503	49.8%
Refreshment places	2,764	3,140	13.6	693,905	1,092,487	57.4
Total eating places	7,340	7,623	3.3%	$2,109,108	$3,155,278	49.6%
Cincinnati, OH						
Restaurants & lunchrooms	620	675	8.9%	$ 196,716	$ 320,123	62.7%
Refreshment places	601	674	12.1	163,183	258,736	58.6
Total eating places	1,416	1,522	7.5%	$ 411,904	$ 648,035	57.3%
Cleveland, OH						
Restaurants & lunchrooms	916	886	–3.3%	$ 268,172	$ 407,403	51.9%
Refreshment places	706	787	11.5	167,539	290,699	73.5
Total eating places	1,920	1,957	1.9%	$ 494,579	$ 776,024	56.9%
Dallas/Ft. Worth, TX						
Restaurants & lunchrooms	1,236	1,398	13.1%	$ 345,495	$ 752,080	117.7%
Refreshment places	1,596	1,984	24.3	346,051	714,933	106.6
Total eating places	3,248	3,794	16.8%	$ 846,787	$1,734,699	104.8%
Denver, CO						
Restaurants & lunchrooms	936	1,106	18.2%	$ 291,877	$ 596,346	104.3%
Refreshment places	622	804	29.3	149,673	311,641	108.2
Total eating places	1,757	2,124	20.9%	$ 517,910	$1,037,954	100.4%
Detroit, MI						
Restaurants & lunchrooms	1,845	1,936	4.9%	$ 580,223	$ 860,443	48.3%
Refreshment places	1,538	1,746	13.5	387,739	614,013	58.4
Total eating places	3,939	4,225	7.3%	$1,120,490	$1,660,066	48.2%
Honolulu, HI						
Restaurants & lunchrooms	464	556	19.8%	$ 193,772	$ 352,109	81.7%
Refreshment places	350	419	19.7	117,405	215,600	83.6
Total eating places	902	1,079	19.6%	$ 346,073	$ 640,929	85.2%
Houston, TX						
Restaurants & lunchrooms	1,094	1,376	25.8%	$ 336,598	$ 782,820	132.6%
Refreshment places	1,359	1,613	18.7	332,691	654,330	96.7
Total eating places	2,715	3,302	21.6%	$ 775,288	$1,698,240	119.0%
Kansas City, MO–KS						
Restaurants & lunchrooms	635	636	0.2%	$ 176,151	$ 290,422	64.9%
Refreshment places	646	734	13.6	164,623	276,046	67.7
Total eating places	1,448	1,530	5.7%	$ 394,362	$ 625,761	58.7%

	Number of establishments		Percent change	Sales* (000)		Percent change
Metropolitan area	**1977**	**1982**	**77 to 82**	**1977**	**1982**	**77 to 82**
Los Angeles, CA						
Restaurants & lunchrooms	4,141	4,188	1.1%	$ 1,408,906	$ 2,256,485	60.2%
Refreshment places	3,426	3,851	12.4	742,336	1,284,238	73.0
Total eating places	8,310	8,830	6.2%	$ 2,359,120	$ 3,924,838	66.4%
Miami, FL						
Restaurants & lunchrooms	849	879	3.5%	$ 285,595	$ 451,460	58.1%
Refreshment places	562	754	34.2	134,495	271,748	102.0
Total eating places	1,610	1,874	16.4%	$ 493,126	$ 843,997	71.2%
Milwaukee, WI						
Restaurants & lunchrooms	773	802	3.8%	$ 215,712	$ 333,480	54.6%
Refreshment places	453	574	26.7	112,866	200,529	77.7
Total eating places	1,389	1,526	9.9%	$ 360,705	$ 581,116	61.1%
Minneapolis, MN						
Restaurants & lunchrooms	928	1,062	14.4%	$ 326,154	$ 572,412	75.5%
Refreshment places	718	916	27.6	178,940	313,354	75.1
Total eating places	1,881	2,246	19.4%	$ 548,500	$ 975,232	77.8%
New York, NY						
Restaurants & lunchrooms	5,525	5,264	-4.7%	$ 1,394,510	$ 2,239,993	60.6%
Refreshment places	3,332	3,539	6.2	630,323	880,187	39.6
Total eating places	10,289	10,166	-1.2%	$ 2,435,909	$ 3,833,264	57.4%
Philadelphia, PA						
Restaurants & lunchrooms	1,977	1,930	-2.4%	$ 551,847	$ 827,674	50.0%
Refreshment places	1,591	1,780	11.9	340,044	548,449	61.3
Total eating places	4,261	4,346	2.0%	$ 1,046,209	$ 1,616,422	54.5%
Pittsburgh, PA						
Restaurants & lunchrooms	970	1,032	6.4%	$ 265,242	$ 437,401	64.9%
Refreshment places	725	859	18.5	150,013	273,932	82.6
Total eating places	2,002	2,155	7.6%	$ 484,971	$ 813,837	67.8%
Portland, OR						
Restaurants & lunchrooms	694	793	14.3%	$ 231,052	$ 376,954	63.1%
Refreshment places	509	634	24.6	124,831	215,298	72.5
Total eating places	1,335	1,573	17.8%	$ 387,054	$ 647,377	67.2%
St. Louis, MO						
Restaurants & lunchrooms	972	982	1.0%	$ 273,052	$ 398,097	45.8%
Refreshment places	923	1,103	19.5	252,194	439,905	74.4
Total eating places	2,253	2,469	9.6%	$ 609,201	$ 936,986	53.8%
San Diego, CA						
Restaurants & lunchrooms	1,005	1,174	16.9%	$ 297,647	$ 560,719	88.4%
Refreshment places	739	1,002	35.6	185,134	331,359	79.0
Total eating places	1,881	2,370	26.0%	$ 506,746	$ 972,212	91.8%
San Francisco, CA						
Restaurants & lunchrooms	2,241	2,555	14.0%	$ 729,261	$ 1,218,689	67.1%
Refreshment places	1,502	1,795	19.5	330,689	518,683	56.8
Total eating places	4,235	4,884	15.3%	$ 1,172,830	$ 2,026,763	72.8%
Seattle, WA						
Restaurants & lunchrooms	999	1,135	13.6%	$ 360,374	$ 589,260	63.5%
Refreshment places	567	826	45.7	152,204	300,330	97.3
Total eating places	1,729	2,155	24.6%	$ 566,365	$ 1,010,723	78.4%
Washington, DC						
Restaurants & lunchrooms	1,386	1,535	10.8%	$ 496,407	$ 846,306	70.5%
Refreshment places	1,164	1,349	15.9	352,718	583,058	65.3
Total eating places	3,008	3,374	12.2%	$ 1,036,329	$ 1,728,653	66.8%
United States						
Restaurants & lunchrooms	118,896	122,851	3.2%	$28,470,815	$47,135,520	65.4%
Refreshment places	92,357	109,353	17.6	19,526,582	35,677,693	82.2
Total eating places	**237,726**	**258,584**	**8.4%**	**$54,405,754**	**$93,158,284**	**71.0%**

**Sales figures have not been adjusted for inflation.* N/A Not available

Source: *1977 and 1982 Census of Retail Trade*, U.S. Department of Commerce, Bureau of the Census

September-October-November

CREST Report

Percent change in quarterly traffic (fall 1983–fall 1985)

	Quarter	Percent change
1983	Fall	5.2%
1984	Winter	6.2%
	Spring	7.5%
	Summer	2.4%
	Fall	0.4%
1985	Winter	1.1%
	Spring	−1.1%
	Summer	4.0%
	Fall	−0.2%

Note: Percent change is from the same period in prior year.
Source: CREST *Household Report*, GDR/CREST Enterprises

Fall quarter traffic down 0.2 percent . . .

Customer counts at the nation's restaurants during the fall quarter fell a slight 0.2 percent. Consumers, saddled with record-high debt, cut back on spending for some goods and services, such as restaurant meals.

NRA is confident that the opening months of the new year will bring stronger growth to the restaurant industry. Real eating place sales (adjusted for inflation) are forecast to advance a healthy 3.7 percent in 1986. (For detailed information on fall quarter economic performance, please refer to the Economic Indicators report on page 44 of this issue of ***NRA NEWS***.)

Industry summary . . .

- *Customer traffic* dropped 0.2 percent. Breakfast customer counts were up, rising 4.0 percent, while lunch traffic posted a modest gain of 0.3 percent. Dinner traffic counts remained flat. Traffic during snack occasions fell slightly.
- *Sales* advanced only 0.5 percent. The slow sales growth is attributed to declining customer counts, especially in the higher-priced segments, and more deal usage.
- *Visit frequency*, the number of times households visited restaurants in an average two-week period, fell by one percent. In addition, the number of households eating out at least once in an average two-week period was down one percent.
- *Average check size* edged up a mere 0.6 percent, reaching $3.41.
- The proportion of occasions on which a *promotion* was used increased to 12.2 percent versus a lower 10.9 percent of occasions in the same quarter last year.

Quick service restaurants . . .

- *Customer traffic* was up 4.2 percent. Especially strong traffic gains at quick service ethnic restaurants (up 9.4 percent) contributed to this rise.
- *Sales* surged 6.0 percent in response to healthy traffic increases, increased visit frequency and greater penetration.
- *Visit frequency* was up 2.0 percent. Penetration—the proportion of households eating out at least once during the fall quarter—rose a slight 0.9 percent.
- *Average check size* advanced 2.1 percent, totaling $2.45.
- *Promotions* were used on 14.0 percent of occasions, compared with 12.4 percent last fall.

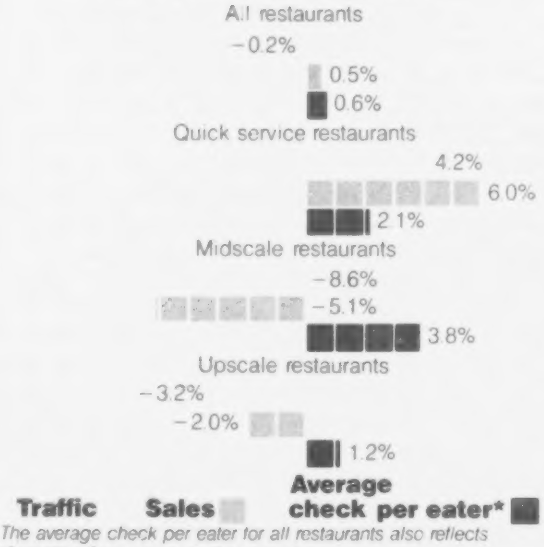
Midscale restaurants . . .

- *Customer traffic* was down 8.6 percent. The midscale hotel restaurant segment suffered a 27.9 percent traffic decline, but sizable increases in customer counts at midscale fish/seafood establishments and midscale barbeque restaurants were recorded.
- *Sales* dropped 5.1 percent due to weak traffic, lower visit frequency and a decrease in the number of households eating out.
- *Visit frequency* declined 7.2 percent. Penetration fell 4.0 percent.
- *Average check size* rose 3.8 percent to $4.04.
- *Promotions* were used on 8.9 percent of occasions, compared with 8.3 percent of occasions in the previous fall quarter.

Upscale restaurants . . .

- *Customer traffic* declined 3.2 percent. A substantial 14.1 percent traffic increase was posted at upscale specialty restaurants, with upscale steak restaurants recording especially strong traffic gains. Upscale ethnic restaurant customer counts were also up a healthy 11.3 percent due to strong growth in Italian and Asian traffic. However, upscale hotel restaurant customer counts fell 18.5 percent.
- *Sales* declined 2.0 percent in response to slow traffic, lower visit frequency and heavy promotional activity.
- *Visit frequency* was down 5.9 percent. This was accompanied by a slight 0.5 percent decline in penetration.
- *Average check size* totaled $8.68, a 1.2 percent increase over last fall.
- *Promotions* accounted for a substantial 16.7 percent of occasions, compared with 14.8 percent in the fall quarter of last year.

Fall quarter performance by restaurant segment



**The average check per eater for all restaurants also reflects information from unreported segments*

Source: CREST *Household Report*, GDR/CREST Enterprises

CREST report focus

Restaurant promotions

With this quarterly CREST report, NRA inaugurates a new format for reporting restaurant industry statistics: a one-page summary of key performance measures for the most recent quarter and an in-depth analysis of a specific performance measure, which will illustrate other uses of CREST information. This month the focus is on promotional usage within the restaurant industry—when promotions are used, who uses them and what types are most popular at different kinds of restaurants. Upcoming topics will examine where meals are ordered, weekday versus weekend business and specific meal period performance.

Heightened competition within the foodservice industry has led to new promotional strategies designed to encourage consumers to try new menu items and new restaurant concepts and also to build customer traffic and loyalty.

Although coupons continue to be the most popular type of promotion offered, many restaurateurs are opting for alternatives. According to CREST, 42 percent of all restaurant promotions used by patrons in the summer of 1985 involved coupons, down from 51 percent in the summer of 1982. On the other hand, the proportion of special event promotions, including grand openings and holiday celebrations, increased during this time period from 19 percent of deal-related occasions to 24 percent. Also the percent of occasions using "meal deals" (full meals priced less than items purchased a la carte) rose to 23 percent in the summer of 1985 from 20 percent in the summer of 1982.

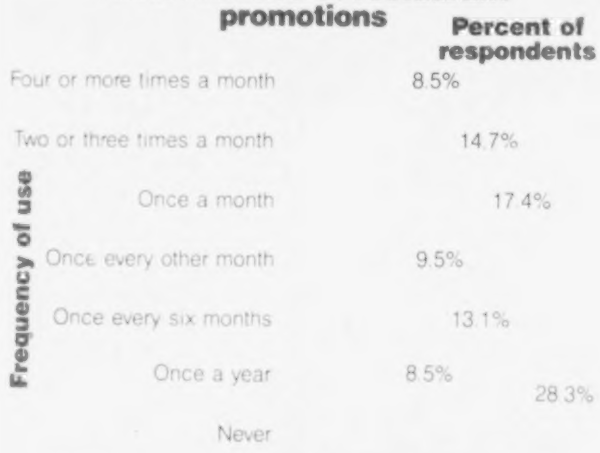
Majority take advantage of restaurant deals . . .

NRA research has shown that a majority of consumers take advantage of special deals offered by restaurants. A 1982 survey, *Consumer Reactions to and Use of Restaurant Promotions*, revealed that seven out of 10 individuals used a promotion on at least one restaurant visit in the past year, and four out of 10 reported they used a special deal once a month or more often.

According to CREST's *Family Report*,* in 1977 only 6.5 percent of all restaurant visits involved some type of promotion. By 1984, the proportion of occasions on which a deal was used had risen to 11.3 percent.

Certain demographic groups are more likely than others to use a deal when dining away from home. Restaurant promotions are especially appealing to households with children. They tend to take advantage of these incentives to treat themselves to an economical meal out. NRA's 1982 promotion study revealed that, on average, 75 percent of the households with four or more members used a restaurant promotion on at least one visit in the prior year compared with a lower 67 percent of two-member households.

Customer use of restaurant promotions



Source: *Consumer Reactions to and Use of Restaurant Promotions*, National Restaurant Association, March 1982

According to CREST's 1984 *Household Report*, during an average two-week period approximately two out of 10 (17.8 percent) restaurant parties of adults and two or more children in both the under-12 age bracket and 13-to-17-year age bracket involved some type of promotion. Parties of adults and one child under 12 years of age were also likely to take advantage of promotions, using special deals on 15.1 percent of all restaurant visits in an average two-week period.

In comparison, children under 18 years of age, visiting a restaurant without their parents or some other adult, used promotions on less than one out of 10 (8.8 percent) occasions. Further, fewer than 10 percent of the restaurant visits where only adults were present involved a deal. Of course, part of the reason why parties with children are more likely to use a promotion when visiting a restaurant than are parties with adults only is that the former are more likely to patronize fast food restaurants.

Other groups that tend to frequently take advantage of restaurant promotions include

- women
- households with a working wife or mother
- 18 to 24-year olds
- households with incomes between $15,000 and $19,999
- households with incomes between $30,000 and $34,999
- singles and
- Southerners.

Seasonal influences on promotional activity . . .

Promotional usage in the restaurant industry fluctuates from season to season. Because traffic counts are lowest during the winter months, restaurateurs more actively promote their establishments and products during December, January and February to give consumers additional incentive to venture outside their homes. In the warm summer months when many families are vacationing, traffic and sales are at their highest levels, and operators feel less need to offer deals.

The year just past is a

**Information from the CREST* Family Report *is used in this analysis to highlight ongoing trends in promotional usage. CREST* Household Report *data are used to illuminate current promotional activity in the restaurant industry.*

good example of this seasonal pattern. In the winter quarter of 1985, more than one out of 10 (11.7 percent) restaurant occasions in a typical two-week period involved some type of deal versus a lower 10.4 percent of occasions in the summer. The proportion of restaurant visits on which a promotion was used in the spring was 11.1 percent—down from the number of winter quarter promotional visits but higher than summer promotional usage. The proportion of promotional visits in the fall was 12.2 percent.

The influences of the economy . . .

The economic climate also influences consumer deal usage. During periods of slow and lagging economic growth, consumers are more apt to use promotions, and operators are more inclined to offer them. The recession in the early part of this decade is an example. Promotional usage in 1981 was up 13.0 percent over 1980 levels, but in 1982 the number of restaurant visits involving a deal climbed a whopping 19.9 percent over the previous year.

The rate of increase in promotional usage began to taper off as the economy started its comeback in 1983. The number of restaurant visits on which a deal was used advanced a lower 5.0 percent over the 1982 level. In 1984, at the height of the economic recovery, the number of occasions on which a deal was used climbed 8.3 percent, but much of this increase can be attributed to Olympic game promotions.

More recently, promotional usage has been gradually inching upwards in response to the economic slowdown experienced during the first two quarters of 1985. The number of restaurant visits involving a special incentive increased 0.9 percent in the winter quarter of 1985 over 1984 levels. And in the spring and summer, promotional visits at restaurants jumped 9.8 percent and 5.8 percent, respectively, over the same quarters in the prior year. The rate of increase in promotional usage may taper off in 1986 as the economy rebounds from sluggish growth in 1985.

What types of promotions are used where . . .

A higher than average proportion of quick service restaurant visits involved promotions in 1984. According to CREST's *Household Report*, in an average two-week period in 1984, 12.1 percent of quick service restaurant visits involved some type of promotion, compared with 10.5 percent for all restaurants.

Coupons were the number one promotion used by fast food patrons in 1984. In fact, customers used coupons more often at quick service restaurants than at any other type of restaurant. According to CREST, in 1984 coupons represented more than half (51.2 percent) of all promotional occasions at fast food restaurants, compared with a lower 43.8 percent for restaurants overall. However, fast food's dependence on coupons is tapering off. In the summer of 1985, 47 percent of the deal occasions involved a coupon, down from 62 percent in the winter of 1982. Quick service operators have come to rely a little more on other kinds of promotions such as "meal deals." The proportion for this kind of deal occasion rose to 24 percent in the summer versus 16.7 in the winter of 1982.

Both the upscale and midscale segments reported comparatively less promotional activity in 1984. Less than one out of 10 (8.7 percent) upscale restaurant occasions in an average two-week period and a similar proportion (8.1 percent) of midscale establishment visits involved a special incentive.

Holiday or special event promotions, such as New Year's Eve specials and sweetheart suppers on Valentine's Day, are particularly appealing to customers of upscale establishments. More than one-third (35.6 percent) of all upscale restaurant promotional visits in 1984 involved special event celebrations. In comparison, a lower two out of 10 (23.8 percent) promotional occasions at all restaurants involved special event offerings.

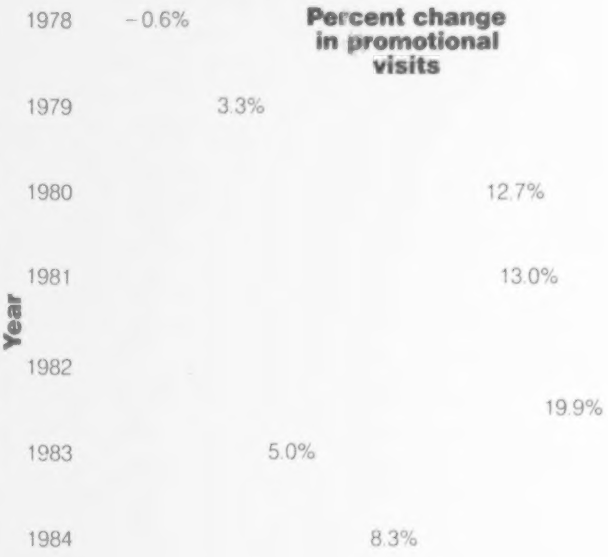
Other types of promotions, which include tie-in purchases, such as a free glass of wine with dinner, are also popular at upscale eateries. They accounted for one out of three promotional visits at these establishments in 1984.

Midscale restaurant patrons used special event promotions more frequently than any other type of promotion in 1984. Four out of 10 promotional visits to midscale restaurants involved a special event deal, considerably above the 23.8 percent average for all restaurants. Reduced price incentives were favored the least, used on only 9.8 percent of all deal occasions at these establishments.

When are promotions used . . .

Restaurateurs have found that promotions are useful when attempting to build traffic during weak or "new" meal periods. For example, during the past several years many establishments have increased promotional offerings during breakfast to penetrate this relatively new market. According to CREST's *Family Report*, the proportion of occasions on which a deal was used during the breakfast period doubled in the past eight years—from 4.7 percent of breakfast occasions in 1977 to 9.3 per-

Percent change in restaurant industry deal usage



Source: CREST *Family Report*, September 1976–August 1984.

cent of occasions in 1984. Total traffic during this period, thanks in part to the greater availability of special deals as well as to more quick service outlets offering morning meals, jumped a substantial 56.7 percent.

Nonetheless, the dinner meal is the leader in promotional activity. According to CREST's 1984 *Household Report*, the largest proportion (14.5 percent) of restaurant visits involving an incentive occurred during dinner.

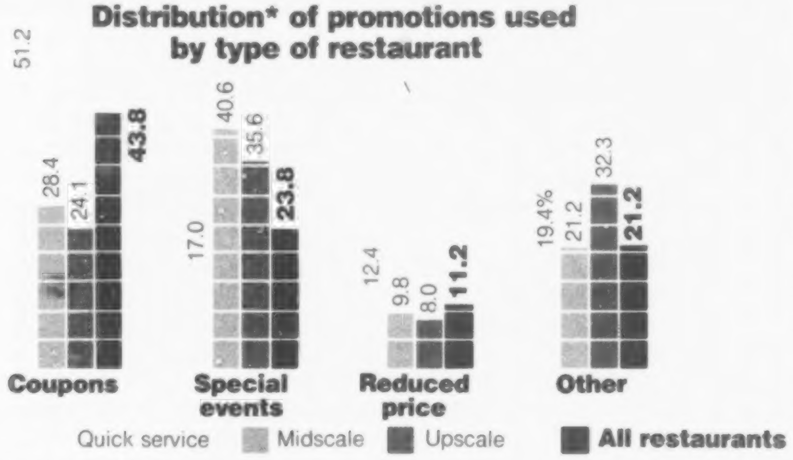
During dinner, coupons were the most popular incentive, accounting for more than half the total promotional visits. Special event incentives, such as those promoting holidays, and other types of promotions, such as "meal deals" or free wine with dinner, each accounted for 19.0 percent of all dinners involving a promotion.

Less than one out of 10 (9.4 percent) restaurant visits at lunch involved a promotion. Coupons were used most frequently during this meal period (41.0 percent of all promotional occasions), followed by special event incentives (27.0 percent).

An incentive . . .

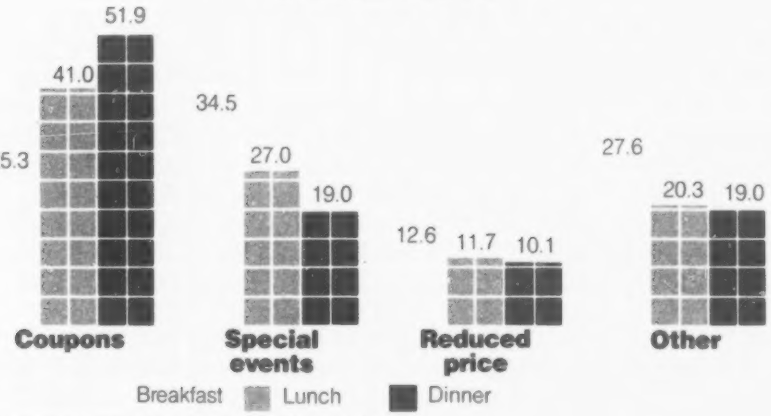
Promotions are popular tools used by operators to combat the sometimes negative effect the economy and the seasons have on their business. In addition, special incentives are useful to revive ailing traffic counts to increase awareness of certain meal periods and to encourage hesitant customers to try new products. They can be good business as long as operators remember that what works well for one may not work well for another. The type of restaurant, the meal period and the customer base should all be examined before implementing a promotional strategy.

—*Sallie Adams*



Distribution* of promotions used by type of restaurant

**Represents proportion of total promotional visits.*
Source: CREST *Household Report*, December 1983–November 1984.



Distribution* of promotions used by meal period

**Represents proportion of total promotional visits.*
Source: CREST *Household Report*, December 1983–November 1984.

What is CREST?

Launched in September 1975, the CREST (Consumer Reports on Eating Share Trends) survey is designed to track expenditures and behavior in the commercial segment of the foodservice industry, including information by type and classification of restaurant and also by meal or snack period.

Approximately 10,000 families and 2,800 nonfamily households representing demographic patterns in the U.S. have been selected to participate in the study. Each household is asked to record every meal and snack experience during a particular two-week period for each of the four quarters of the year. Detailed entries are required for meals eaten or purchased away from home in establishments such as restaurants, hotels and motels, fast food/drive-ins, delicatessens, refreshment stands, carryouts, coffee shops, donut shops, ice cream shops or eating places inside variety stores or other retail stores. The diary does not include any meals eaten at schools, hospitals, colleges or other institutional feeding places.

CREST information can help restaurateurs compare their operation's performance with that of the total industry as well as with specific restaurant categories (quickservice, midscale or upscale restaurants).

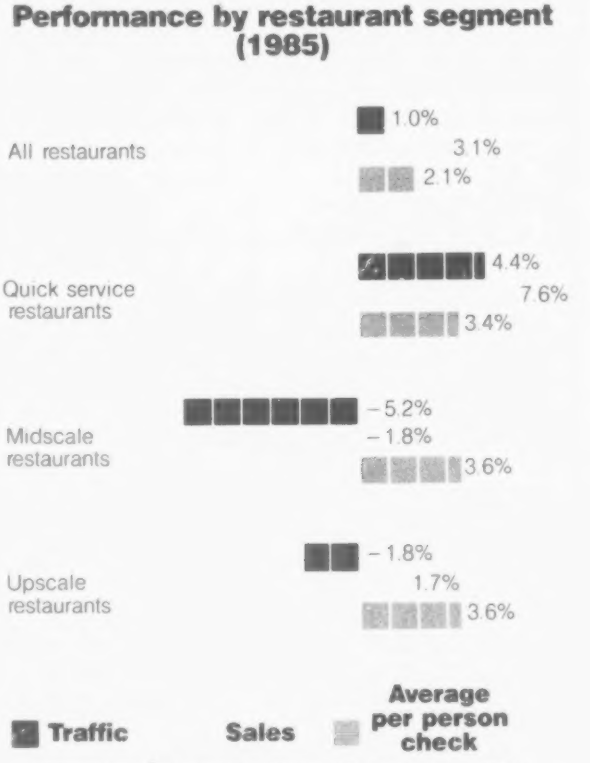
The CREST study can also provide valuable information concerning customer behavior, such as how much people spend. And, because it is an ongoing study, CREST information allows comparison against a standard—an aid in the development of trend analysis.

Readers wishing more information on the CREST study should contact GDR/CREST Enterprises, one of the NPD group of marketing and research companies, 1300 W. Higgins Road, Park Ridge, IL 60068-5798.

Crest data

Modest industry gains in 1985

This article highlights the results of CREST's (Consumer Reports on Eating Share Trends) Annual Household Report. *The information covers the 12-month period from December 1984 through November 1985.*


Performance by restaurant segment (1985)

Source: CREST *Household Report*, GDR/CREST Enterprises.

The restaurant industry grew at a modest pace in 1985. Customer counts at the nation's restaurants rose 1.0 percent and sales climbed 3.1 percent. The economy, fueled by a relatively low inflation rate, moderate unemployment and upbeat consumer confidence, continued to expand but at a slower rate than in prior years.

Traffic up slightly . . .

Traffic advanced 1.0 percent in 1985 versus stronger gains of 4.0 percent and 2.7 percent, respectively, in 1984 and 1983. The most substantial increase occurred during the summer months—up 4.0 percent. Traffic also rose in the winter period, advancing a somewhat smaller 1.1 percent. The spring and fall months, however, recorded a more disappointing performance. Customer counts fell 1.1 percent and 0.4 percent, respectively.

Traffic highlights

- Traffic at quick service restaurants made the most significant advance in 1985, climbing 4.4 percent. This increase is slightly below the 4.6 percent gain posted in 1984 and higher than the 4.2 percent increase in 1983.
- Both upscale and midscale establishments experienced declining customer counts in 1985. Traffic at upscale restaurants edged down 1.8 percent versus gains of 4.4 percent and 5.4 percent, respectively, in 1984 and 1983. Midscale restaurant traffic fell 5.2 percent, compared to a 2.5 percent advance in 1984.
- Breakfast was the fastest-growing meal period again last year, with traffic jumping 7.8 percent. This increase is somewhat slower than the 10.7 percent rise reported in 1984.
- Traffic at the evening meal inched up 0.1 percent. This is well below the 5.6 percent increase posted in 1984.
- Lunch traffic dipped slightly in 1985, down 0.7 percent—a contrast to the stronger 3.6 percent gain in 1984.
- Customers dined out more often in 1985. Visit frequency—the average number of times families and singles visited restaurants—climbed 1.2 percent, slightly below the 2.0 percent advance registered in 1984 but well above the 0.4 percent gain in 1983.
- The actual number of households that dined out at least once in any typical two-week period—restaurant penetration—declined last year to 77.8 percent from 78.6 percent in 1984.
- The average party size remained at 1.79 people per visit.

Restaurant sales advance 3.1 percent . . .

Restaurant sales increased 3.1 percent in 1985. In comparison, sales jumped a more substantial 7.8 percent in 1984 and 5.2 percent in 1983. During the June-July-August period, sales climbed 6.2 percent, outdistancing the other quarters. The winter months registered the second best performance, up 4.7 percent, while the spring and fall quarters experienced sluggish sales growth of 0.9 percent and 0.5 percent, respectively.

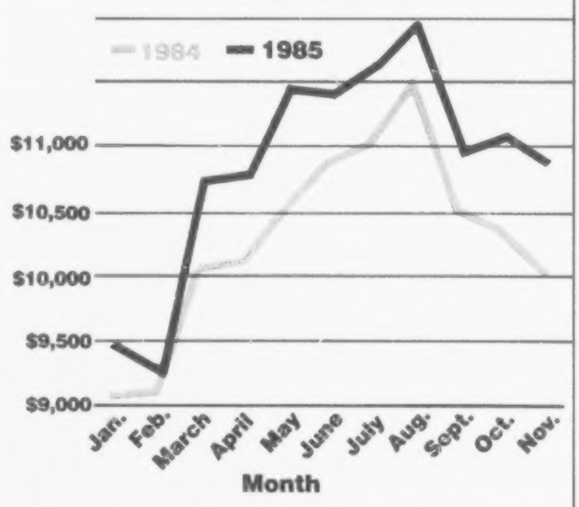
Sales highlights

- Quick service restaurants ranked first in terms of sales growth in 1985, advancing an impressive 7.6 percent. This compares with a higher 10.1 percent increase in 1984 and a 9.2 percent gain in 1983.
- Sales at upscale establishments rose 1.7 percent last year versus a larger 6.8 percent increase the year before.
- Sales at midscale restaurants dipped 1.8 percent in 1985. In comparison, sales rose 5.6 percent in 1984.
- Sales for the morning meal made the most significant advance in 1985—rising 7.4 percent. However, this increase is somewhat below the 13.3 percent and 13.4 percent gains posted in 1984 and 1983, respectively.
- Dinner sales climbed 3.0 percent last year, and sales for lunch rose a more modest 1.4 percent.
- The average expenditure for a restaurant meal or snack—per person check—increased 2.1 percent to $3.41 in 1985.
- Both midscale and upscale establishments experienced a 3.6 percent rise in average per person check last year. Upscale restaurants recorded the highest per person check—$8.73 per person.
- The average per person check for breakfast advanced 3.4 percent to $2.41.

Industry indicators

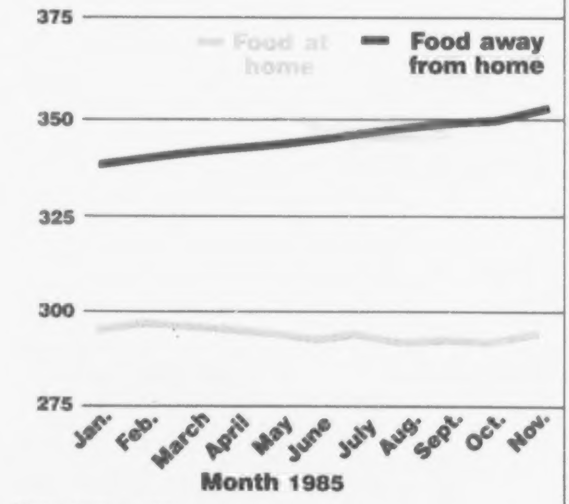
Changes in the economy directly influence restaurant industry performance. To help restaurateurs keep track of these changes, the National Restaurant Association periodically publishes this report.

Eating and drinking place sales (in billions of dollars)



Note: Figures subject to revision.
Source: U.S. Department of Commerce, Bureau of the Census.

Consumer Price Index (CPI) for food at home vs. food away from home



Note: 1967 = 100
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry index

Retail sales (millions)	Nov. 1985	Percent change*	Year-to-date Nov. 1985	Percent change*
All retailers	$118,959	4.8%	$1,238,535	6.3%
Eating and drinking places	$ 10,896	8.0%	$ 119,789	5.5%
Food stores	$ 24,208	6.4%	$ 255,970	4.2%

Source: U.S. Department of Commerce, Bureau of the Census.

Consumer prices (Nov. 1985)	Percent change*	Percent change year-to-date*
Food away from home	4.0%	4.0%
Food at home	1.4%	1.4%
All items less food	3.9%	3.8%
All items	3.6%	3.5%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Eating place sales (millions)	Oct. 1985	Percent change*	Year-to-date Sept. 1985	Percent change*
Eating place sales	$ 10,376	8.2%	$100,903	5.8%
Real eating place sales	–	4.1%	–	1.9%

Source: U.S. Department of Commerce, Bureau of the Census, U.S. Department of Labor, Bureau of Labor Statistics; NRA.

Employment and earnings	Sept. 1985	Percent change*
Total eating and drinking place employment	5,922.6**	9.4%
Nonsupervisory employment	5,390.6**	8.7%
Average weekly hours	25.8	–2.3%
Average hourly earnings	$4.37	0.9%
Average weekly earnings	$112.75	–1.4%

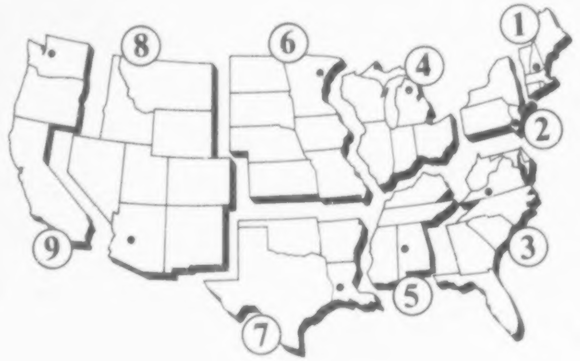
Source: U.S. Department of Labor, Bureau of Labor Statistics.
**Percent change is from prior year.*
***Thousands*
Note: Figures subject to revision.

Other economic indicators

	1985 Quarter or month	Percent change
Real Gross National Product	III	3.2%
	IV	3.0%
Personal income	September	0.4%
	October	0.5%
	November	0.6%
Disposable personal income	September	0.2%
	October	0.5%
	November	0.5%
Personal consumption expenditures	September	1.2%
	October	–1.4%
	November	0.8%
Civilian unemployment rate*	September	7.1%
	October	7.1%
	November	7.0%

**Percentage indicates actual unemployment rate*
Note: Figures subject to revision.
Sources: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Labor, Bureau of Labor Statistics.

by Anne Papa



①

Location: Hancock, NH
NRA member: Pat Wells
Operation: John Hancock Inn
Profile: Country inn
In business: 13 years
Seats: 70
Meals served: Breakfast, lunch, dinner, Sunday brunch

On a typical Wednesday afternoon at the John Hancock Inn, a local group of 70-year-old men gather to play bridge in the colonial-style restaurant. Later that evening owner **Pat Wells** may offer to babysit the children of one of her waitresses.

"That's the way the inn works. We take care of people, and they take care of us," explains Wells. She says that residents and businesses in the small town of Hancock (population 1,000) and surrounding towns are extremely supportive of one another, which is why business continues to flourish at the inn. "We do a steady lunch business," Wells reports. "During the winter, when dinner business is slightly off, people make a point of coming in for dinner, not only because they enjoy our food and atmosphere but to help us out as well."

Dinner guests at the Hancock Inn order the house specialty, prime rib, but there are many seafood and poultry items to choose from as well.

②

Location: Cherry Hill, NJ
RA member: Gloria Bryen
Operation: The Hideaway Restaurant
Profile: Fullservice restaurant
In business: 25 years
Seats: 350
Meals served: Lunch, dinner

Location is key to the growing success of the Hideaway Restaurant, says owner **Gloria Bryen.** Not only does the restaurant attract travellers going to and from south Jersey's seaside resorts but it also draws customers from nearby Philadelphia. An influx of people moving into Cherry Hill has also meant many new customers for the Hideaway.

Bryen says customers keep coming back to the Hideaway because of the extra touches added to the menu and decor. "We employ two French chefs who take every advantage of new, exciting trends," she explains. Currently, 13 to 18 specials are offered nightly in addition to the 30-item menu. The emphasis is on fresh fish, vegetables and game.

The restaurant's elegant decor is enhanced by exotic fresh flowers, many of which Bryen says are virtually impossible to find anywhere else. "It took a great deal of research to locate some of the more exotic varieties," she confides.

③

Location: Blacksburg, VA
NRA member: Thor A. Kritsky
Operation: Top of the Stairs
Profile: College pub
In business: 9 years
Seats: 125
Meals served: Lunch, dinner

As long as students continue to attend Virginia Polytechnic Institute and State University in Blacksburg, Top of the Stairs will never do a bad day of business, according to owner **Thor Kritsky.** With students representing 85 percent of his clientele, Kritsky boasts, "We're a Virginia Tech institution. Top of the Stairs is the first place students come for a study break."

Top of the Stairs is, appropriately enough, at the top of a flight of stairs, occupying the second story of an old Victorian home. The house specialty is overstuffed sandwiches with outlandish names, such as "Gobbler in the Slaw" (turkey and cole slaw), named after the Virginia Tech "Fightin' Gobbler" mascot.

④

Location: Grosse Pointe, MI
NRA member: Diamond Phillips
Operation: The Old Place
Profile: Fullservice restaurant
In business: 52 years
Seats: 250
Meals served: Lunch, dinner

"You've got to roll with the times," says **Diamond Phillips,** owner of The Old Place, explaining how his restaurant has survived more than half a century in business. Certainly, if Phillips had let his business fluctuate with the state of the economy in nearby Detroit—up one minute, down the next—he might have closed The Old Place long ago.

But consistent quality, as well as constant evaluation and updates, have made The Old Place an institution among affluent Grosse Pointe residents. Phillips says his main competition are the many private elegant clubs that operate in this fashionable Detroit suburb. So he strives to "meet them in their territory" by staying on his toes to please customers. The cuisine at The Old Place is indicative of his efforts. "In the time we've been in business, we've gone from hearty French to haute cuisine to beyond nouvelle to please the changing tastes of our clientele."

5

Location: Tuscaloosa, AL
NRA member: Drew Henson
Operation: Henson's Cypress Inn
Profile: Fullservice restaurant
In business: 2 years
Seats: 311
Meals served: Lunch, dinner

Weekday business at Henson's Cypress Inn is slightly better than it was last year, but weekends are down, according to owner **Drew Henson.** He speculates that a small amount of expendable income among Tuscaloosa residents—"the average Joe can't afford to eat out like he used to"—accounts for the lag in weekend business.

However, all things considered, Henson is pleased with his operation's success after only two years in business. Located so close to Tuscaloosa's Black Warrior River that "you could stick a pole out of the windows and fish," Henson's Cypress Inn is a rustic, provincial restaurant, complete with a tin roof, hardwood floors and "good old American food." The menu emphasizes seafood of all types, with fresh snapper as a clear favorite. Catfish and oysters run a close second.

6

Location: Duluth, MN
NRA member: Joel F. Berg
Operation: Lemon Drop Restaurant
Profile: Family restaurant
In business: 25 years
Seats: 128
Meals served: Breakfast, lunch, dinner

Conditions in Duluth are extremely harsh this winter, according to **Joel Berg,** manager of the Lemon Drop Restaurant. In addition to bitterly cold weather, Duluth's economy is suffering because many of the mines just north of town are shutting down. Consequently, the mining support industries based in Duluth are facing hard times.

But Berg is optimistic about business at the Lemon Drop. "Tourism is growing rapidly in Duluth," he says, "which is good for us because we're located right on Lake Superior." And even though most tourists come through during the spring and summer fishing season, Berg maintains steady business in the family restaurant during the winter by offering specials, such as an all-you-can-eat breakfast buffet on weekdays, designed to lure business people on their way to work. A house specialty, Walleye Pike pulled fresh from the waters of Lake Superior, is a popular favorite all year round.

7

Location: Natchitoches, LA
NRA member: Joe Nichols
Operation: Mariners' Seafood & Steakhouse
Profile: Fullservice restaurant
In business: 3 years
Seats: 150
Meals served: Dinner

Business has not been good at Mariners' Seafood & Steakhouse ever since **Joe Nichols** purchased the restaurant three years ago. The combined evils of beetle infestation in the timber industry and the nationwide crisis in the farming industry have hit this rural Louisiana community hard. "We've never been able to rise from the 1982 recession," laments Nichols. And 1986 thus far does not look any better; Nichols reports business at the restaurant has dropped since the first of the year.

Mariners' Seafood & Steakhouse is built on piling in the middle of Natchitoches' Sibley Lake, so customers cross a 50-foot walkway to get to the front entrance. Huge glass windows in the dining room provide a commanding lake view from every table. As the restaurant's name implies, house specialties are steaks and fresh seafood. Nichols hopes the quality of the food served at Mariners' will mean a reversal in business during the months ahead.

8

Location: Mesa, AZ
NRA member: Phillip Mardirossian
Operation: Butch O'Leary's
Profile: Casual theme restaurant
In business: 4 years
Seats: 250
Meals served: Lunch, dinner

Competition is fierce within a half-mile radius of Butch O'Leary's. "Every major chain in Mesa seems to be at our intersection," maintains owner **Phillip Mardirossian.** "We're the only independent in a cluster of restaurants."

So Mardirossian has to try harder to capture a share of the Mesa market—and he does. "We describe our marketing stategy as 'guerilla warfare,'" he says. "We identify which competitor has the customers we want, then we do what we can to take them away." For instance, although Butch O'Leary's is like many casual restaurants with ferns, brass and an extensive menu suitable for snacking or dining, Mardirossian has upscaled his concept somewhat by adding pricier menu items, such as lobster tails and prime rib. He believes his efforts have paid off, with early 1986 sales equalling last year's figures. Many of his competitors, he explains, are experiencing a decline in sales this year.

9

Location: Seattle, WA
NRA member: Kim Whittle
Operation: Hiram's at the Locks
Profile: Fullservice restaurant
In business: 10 years
Seats: 175
Meals served: Lunch, dinner, Sunday brunch

"Business gets better every year," says **Kim Whittle,** manager of Hiram's at the Locks. "The longer we're in business, the better our reputation gets." Whittle adds that the strength of the economy in Seattle is also contributing to the restaurant's prosperity.

Whittle describes Hiram's at the Locks as a "special occasion" place, ideal for birthday or anniversary celebrations, senior prom dinners and other special occasions. The restaurant is located at the exact point where Seattle's locks pass from fresh to salt water, so many commercial and pleasure boats can be seen drifting past the restaurant's windows. The house specialty is—of course—seafood, although steak and pasta dishes are also included on the menu.

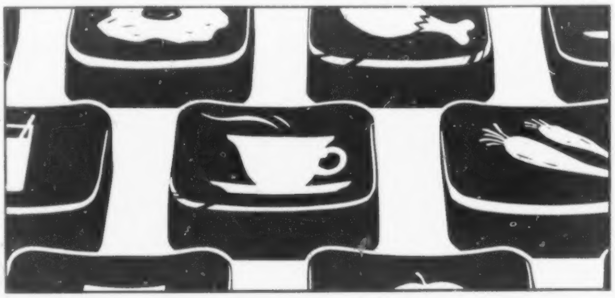
To boost business during the winter months, Hiram's at the Locks features a Maine lobster special, offering a complete meal for one low price. "People here love Maine lobster every bit as much as in New England," reports Whittle.

FOOD FOR THOUGHT

May I—beep—take your order please—beep?

Monty Carlton, owner of the Roundup Coffee Shop in Cedar Ridge, CA, hasn't had a single waiter or waitress call in sick for the past three months.

Instead of hiring humans to wait tables in his restaurant, Carlton relies on computers to do the work. Each table at the Roundup is equipped with a video screen through which customers are able to access breakfast, lunch or dinner menus. A couple of button pushes and customer orders are zipped through wires and into the kitchen where Carlton does the cooking.

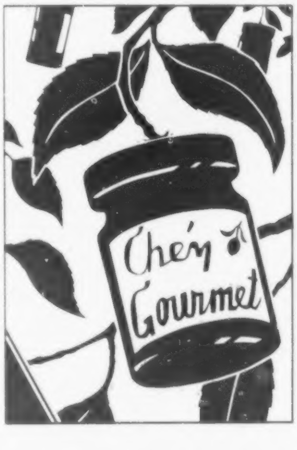


The computer automatically totals the check as soon as an order is placed.

Carlton believes his computer system is more efficient than human help, and he also says the system is saving money. "With employees I was paying workman's compensation, insurance and overtime," he explains. "It won't be long before my computer system pays for itself." He does acknowledge, however, that some customers are reluctant to use the system. So customers at the Roundup are given a choice—either they place their order by computer or they wait until Carlton can get away from the kitchen to wait on them personally.

—*The Union, Grass Valley—Nevada City, CA*

Fancy foods, naturally



Chili sauce with miso. Passion fruit sorbet. Cranberry sauce with whole cranberries and white grape juice. Are these foods tasty gourmet treats or are they "health" foods?

These products—all of which would be right at home on the shelves of any gourmet shop—were recently displayed at a natural foods convention held in Washington, DC.

More and more, purveyors of both gourmet and natural foods are recognizing that there is, as one gourmet food producer says, "a natural bridge between our two industries." Consumers who are interested in gourmet foods are also likely to be looking for foods that are good for them. Therefore, many enterprising purveyors are marketing their products as being both gourmet *and* natural.

—*New York Times*

Tex-Mex on the Sienne

Each year in Paris, the International Action Committee for Gastronomy and Tourism awards the prestigious Plat Vermeil (Gold-Plated Dish) to the best foreign restaurant in the city. This year the distinction goes to the first American restaurant ever to receive the award.

The winner? Papa Maya, a Tex-Mex restaurant recently opened near Les Halles. Papa Maya is one of half a dozen Tex-Mex establishments opened in Paris in recent years—proof that the Tex-Mex craze has indeed crossed the Atlantic.

Teresa Gonzales, co-owner of Papa Maya, says cooking Tex-Mex in Paris is not easy. "Virtually all ingredients, except corn tortillas, which are manufactured in the Netherlands, must be imported from the United States," she says. But judging from the restaurant's popularity, the trouble is worth it. Tex-Mex may soon rival "les hamburgers" and "les chiens chauds" (hot dogs) as the most popular type of American food in Paris.

—*New York Times*

Flipping over flapjacks

In 1958, the first International House of Pancakes (IHOP) opened with 48 different pancake varieties on its menu. Gradually, a downswing in the popularity of pancakes trimmed the menu to 16 varieties.

But things are flipping over for flapjacks.

Today, thanks to a big upturn in sales, IHOP is serving its first new pancake variety in 25 years—"The Super-Amazin' Cinnamon Raisin Pancake." And there's more to come, with two classic varieties—Banana Nut and Iowa Corn Pancakes—to return to the menu in 1986.

It seems that baby boomers have rediscovered the all-American breakfast favorite. "Kids who ate pancakes at IHOP when they were young have grown up and still love pancakes," says Bob Rosenberg, operator of three Southern California IHOPS. "And so do *their* kids."

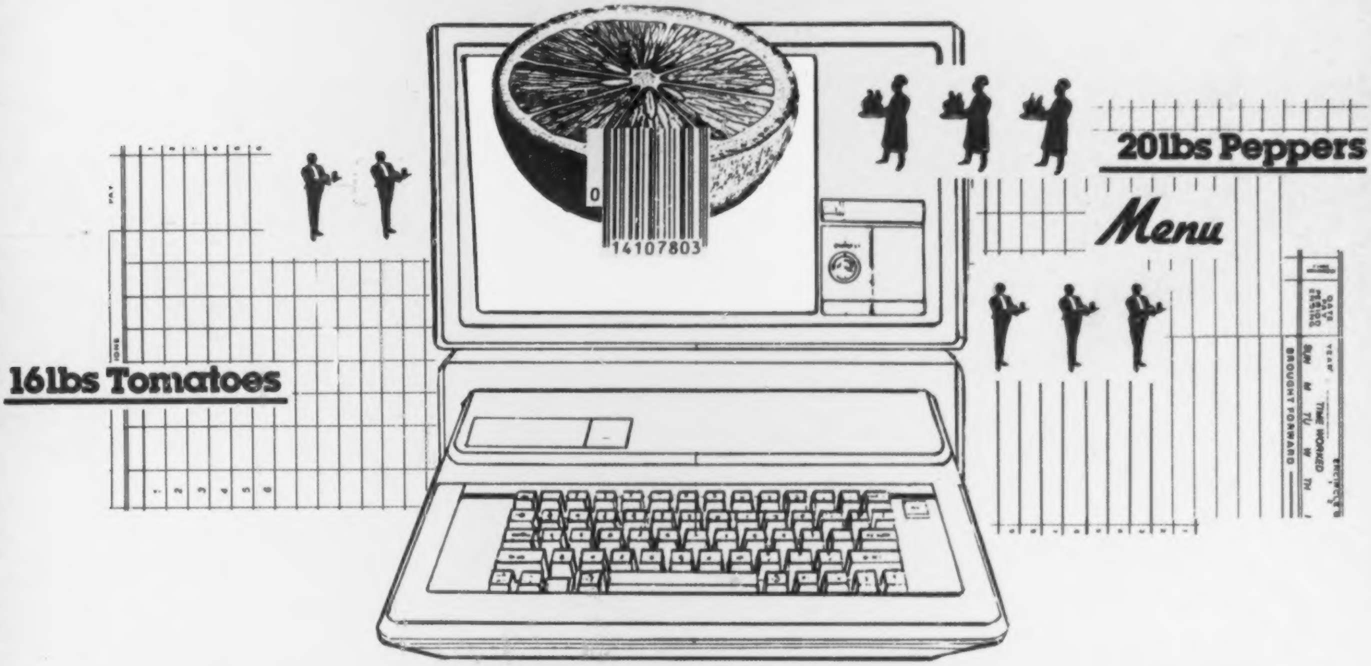
—*USA TODAY*

National Restaurant Association's

NATIONAL CONFERENCE ON COMPUTERS IN FOODSERVICE

MARCH 16–19, 1986 WASHINGTON, DC

Hyatt Regency
Crystal City
Arlington, VA



Computers: Making Today's Bottom Line Difference

From controls and inventories to schedules and forecasts, today's computer systems are helping foodservice operators solve perennial problems which affect every segment of our industry.

Attend NRA's **National Conference on Computers in Foodservice** and explore the bottom line difference computers can make in your operation. During the two-and-one-half day program, computer specialists with expertise in foodservice will analyze the wide variety of options computers offer the foodservice industry today and give you an idea of what to expect tomorrow.

Computers in Foodservice: For the large and small operator

The practical format of NRA's **Computers in Foodservice** includes demonstrations of state-of-the-art computer systems. Major computer vendors will be on hand with their latest foodservice computer equipment. Attendees will have an opportunity to compare a variety of equipment in action. Side-by-side demonstrations will help you get a handle on the variety of options available and assist you in choosing the right system. What may seem like only theory during the morning educational sessions, will come to life during the afternoon demonstrations.

Computers are no longer solely the domain of large multiunit foodservice operators. Computer manufacturers have responded to many of the needs of the small independent operator as well. Today's technology can be tailored to meet your needs—large or small.

NRA members $395
Non-members $495

Participating computer vendors

- Applied Control Systems, Inc.
- Coconut Code, Inc.
- Control Transaction Corporation
- Decision Restaurant Systems, Inc.
- EATEC Corporation
- Executive Data Systems
- Fisher Business Systems
- Geninsystems of Albany
- KRONOS, Inc.
- MBA International, Inc.
- Microbilt
- Micro Systems,Inc.
- Microvertics Corporation
- NCR Corporation
- Postech Corporation
- Remanco Systems, Inc.
- Restaurant Technology, Inc.
- Rosebud Software

For more information or to register, contact
NRA's Education Programs Department
311 First Street, N.W., Washington, D.C. 20001
800/424-5156 (toll free) or 202/638-1100.

NRA 1986 **National Conference Series**

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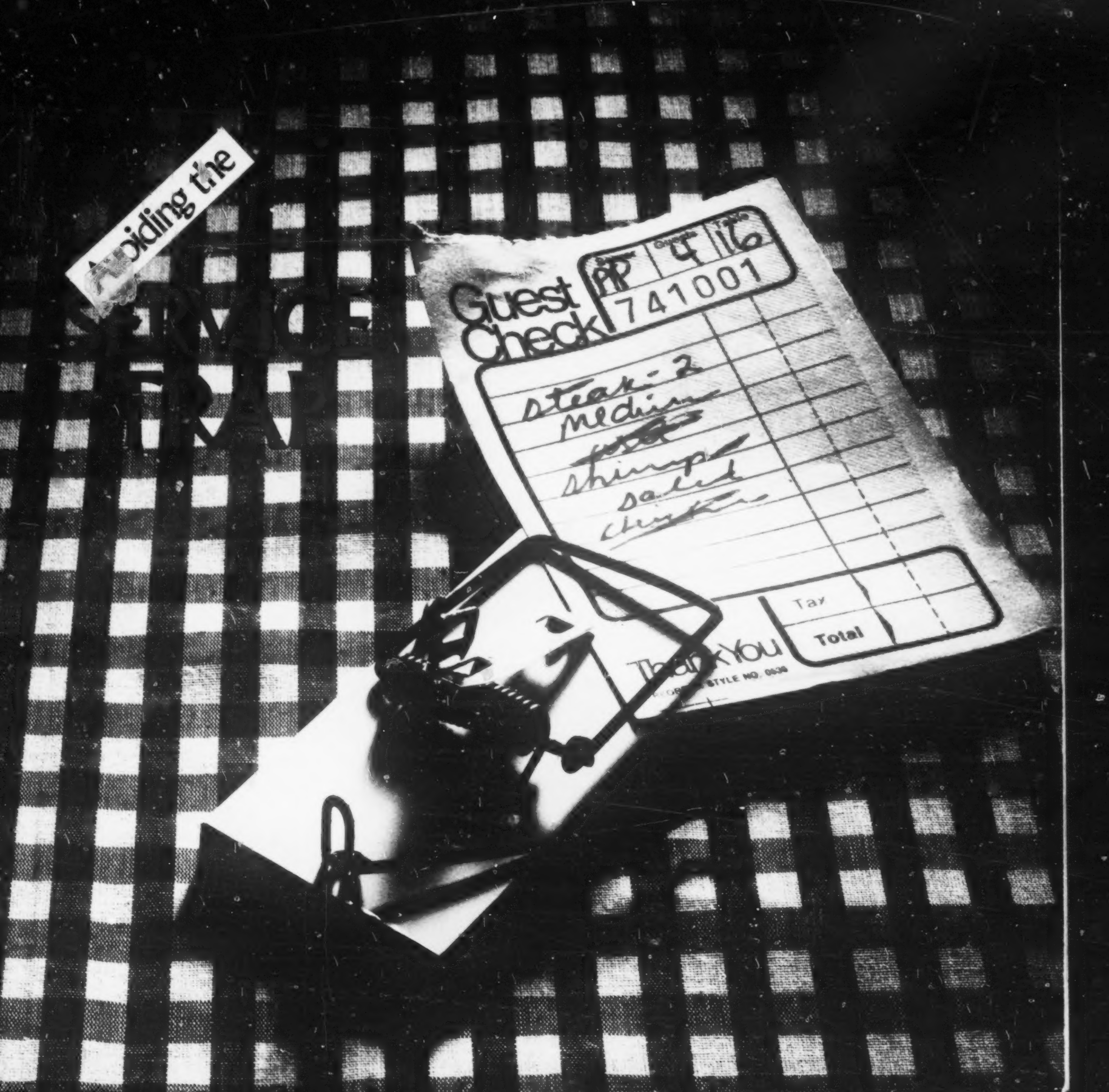
National Restaurant Association
Vol. 6 No. 3 March 1986

NRA NEWS

Special Franchise Issue

Avoiding the SERVICE TRAP


Guest Check
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steak-2
Medium
shrimp
salad
chicken
Tax
Total
Thank You
STYLE NO. 0636

NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

4/22	Denver, CO
5/6	Richmond, VA
5/17	Chicago, IL (NRA Show)

Dining Room Management

4/14	Buffalo, NY
4/15	Syracuse, NY
5/18	Chicago, IL (NRA Show)
5/27	Rockville, MD
5/29	Charleston, WV

Kitchen Management

4/7	Portland, ME
4/22	Denver, CO
4/24	Annapolis, MD
5/5	Newport Beach, CA
5/6	Ventura, CA
5/13	Halifax, Nova Scotia, Canada
5/17	Chicago, IL (NRA Show)

People-Power and Profits

3/27	Fort Worth, TX
4/9	Columbus, OH
5/13	Seattle, WA
5/18	Chicago, IL (NRA Show)

Tools for Training

4/7	Newark, NJ
4/8	Atlanta, GA
5/7	Ogden, UT
5/17	Chicago, IL (NRA Show)

Food Production Courses

Perfecting Your Culinary Skills

4/8	Richmond, VA
5/12	San Francisco, CA
5/14	Ventura, CA
5/29	Hyde Park, NY

Simplified Baking Workshop

4/29	Atlanta, GA
5/6	Appleton, WI

Soups and Sauces

4/7	Minneapolis, MN
4/8	Indianapolis, IN
4/21	Denver, CO

Foodservice Management Courses

Banquet Management

4/3	Portland, OR
4/5	Seattle, WA
4/14	Boston, MA

Beverage Management

5/17–18	Chicago, IL (NRA Show)

Business Dynamics for Women in Foodservice

4/21	Denver, CO
5/18	Chicago, IL (NRA Show)

Introduction to Computers in Foodservice

5/17	Chicago, IL (NRA Show)

Applications for Computers in Foodservice

4/28	Newark, NJ
5/18	Chicago, IL (NRA Show)

Study Group Meetings

Financial Officers

4/2–4	Lake Tahoe, NV

Tax Executives

4/2–4	Lake Tahoe, NV

Market Research

4/9–11	Atlanta, GA

Quality Assurance

4/23–25	Phoenix, AZ

Management Information Systems (formerly the EDP Group)

4/29–5/2	Lake of the Ozarks, MO

Internal Audit Group

5/6–9	Hilton Head, SC

Marketing Executives

5/14–17	Chicago, IL

Foodservice Purchasing Managers

5/14–16	Chicago, IL

MAECO

5/14–16	Chicago, IL

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

Planning Successful Buffets

3/27	Rochester, NY

Employee Motivation

5/6	Cape Cod, MA
5/8	Bethesda, MD

Food Cost Management

4/22	Portland, OR

Foodservice Operators' Legal Workshop

5/18	Chicago, IL (NRA Show)

Menu Development

4/22	Albany, NY
5/17	Chicago, IL (NRA Show)

Negotiating for, and Financing, Foodservice Facilities

3/26–27	Fort Worth, TX
5/17–18	Chicago, IL (NRA Show)

Off-Premises Catering

4/14–15	Austin, TX
5/17–18	Chicago, IL (NRA Show)

Operational Analysis

3/25–26	Minneapolis, MN
4/21–22	Charlotte, NC

Planning and Implementing Restaurant Marketing Strategy

4/21–22	Denver, CO
4/30–5/1	Miami, FL
5/17–18	Chicago, IL (NRA Show)

Real Estate and Restaurant Site Selection

4/7–8	Louisville, KY

Restaurant Design and Facilities Planning

4/28–29	St. Paul, MN
5/17–18	Chicago, IL (NRA Show)

Wine and the Bottom Line

4/9	Washington, DC
4/15	Chicago, IL
5/5	Detroit, MI

National Conferences

National Conference on Computers in Foodservice

3/16–19	Washington, DC

For more information, contact
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156 or (202) 638-6100

NRA NEWS

Vol. 6 No. 3 March 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June-July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to ***NRA NEWS***. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright © NRA 1986. Postmaster, send address change to ***NRA NEWS***, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

Ted Balestreri
Co-owner
The Sardine Factory, Inc.
Monterey, California

Spring 1986 promises to be a busy season for your association. NRA activities on Capitol Hill, the annual Restaurant, Hotel-Motel Show, education programs, new publications and special promotions all come together as the National Restaurant Association works to meet the needs of the industry.

Senate works on tax bill

The future of the business meal tax deduction is still in the hands of the Senate. The Senate Finance Committee is expected to begin drafting its version of the tax simplification bill this month. NRA is working to educate committee members about the damage that a reduction of the meal deduction would cause to both the foodservice industry and the economy as a whole. Your support is crucial. Write your senators and let them know how any change in deductibility would affect your operation. The House of Representatives passed its version of the tax simplification bill last December. The House version reduces the meal deduction to 80 percent.

TJTC in limbo

The Targeted Job Tax Credit (TJTC) is also in limbo on Capitol Hill. NRA is working to extend the life of TJTC. It expired last December, but it is expected to receive a retroactive extension through July 1986. The long-term future of TJTC is currently locked into the tax simplification bill. In the house version of the tax reform bill TJTC remains fairly intact. NRA will work to ensure that the Senate bill does the same.

Liability testimony heard in Senate

In other association activities in Washington, DC, NRA member William A. Zehnder (Frankenmuth Bavarian Inn, Frankenmuth, MI) testified before the Senate Small Business Committee on the tremendous burden escalating liability insurance premiums are placing on small businesses in general and on foodservice operators specifically. Zehnder stated that the outrageous increase in liability insurance premiums has made "foodservice operators the victims of a tort system that is no longer serving the public interest."

According to an NRA study conducted last December, the average increase in liquor liability premiums during the previous 12 months was 110 percent. The average annual premium paid by restaurateurs has reached $39,500.

NRA's recent symposium, *The Crisis in Product & Service Liability*, held in conjunction with Penn State University, focused the public's attention on this growing liability problem. (See this month's special *Board Room* report). NRA will continue to bring national attention to this growing problem at press briefings scheduled throughout the country.

Plan to attend the NRA Show in May

The NRA Restaurant, Hotel-Motel Show is only two months away (May 17–21). You should already be making your plans to attend. Education programs, exhibits and industry contacts combine to make the NRA Show the biggest, most informative annual event in the foodservice industry. The next issue of ***NRA NEWS*** will focus on the events scheduled for this year's Show. Don't miss the special information about McWest, the new NRA Show exhibit space that will make this year's exhibit hall the largest ever.

1986–87 conference schedule finalized

NRA's 1986 *Independent Foodservice Operators' National Conference (INFO 86)*, held in Orlando, FL, February 16–19, was a great success. If you are an independent operator and missed this year's program, put next year's conference on your calendar. NRA's 1986–87 National Conference Series has been scheduled. Each national conference brings together experts on topics vital to the maintenance and growth of your operation. Take a look at the upcoming conference schedule:

• *National Conference on Marketing, Advertising and Promotions*	
Chicago, IL	August 17–20
• *The Wine Workshop*	
Monterey, CA	Sept. 29–Oct. 3
• *National Conference on Catering*	
New Orleans, LA	November 16–19
• *INFO 87*	
San Francisco, CA	January 18–21, 1987
• *Computers in Foodservice*	
Dallas, TX	March 8–11, 1987

Five seminars offered at symposium

In addition to the national conferences and NRA's regularly scheduled seminars, a five-seminar symposium is scheduled for Denver, CO, April 21–22, 1987. Known as *TeamWork*, the symposium will offer: *Business Dynamics for Women in Foodservice*, *Basic Supervision in Foodservice*, *Soups and Sauces*, *Kitchen Management* and *Planning and Implementing a Restaurant Marketing Strategy*. For more information on any of NRA's conferences or seminars, contact NRA's education programs department in Washington, DC.

Start working on Operation: Prom/Graduation

Restaurateurs across the country will participate in *Operation: Prom/Graduation* this spring. This promotion will allow you to draw new guests to your establishment while demonstrating your concern for a safe and sober celebration for the class of '86.

By now you should have received your copy of the 1986 *Operation: Prom/Graduation* kit. If not, please contact NRA's communications department.

During February, 161 foodservice operators and allied suppliers joined us as members of NRA. Welcome. Your participation in NRA will make your business grow and make your association more effective in its endeavors on your behalf.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board

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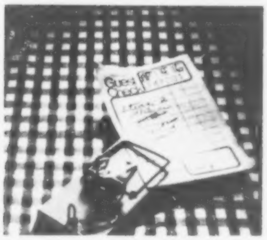
Cover Story: The Crisis in Service



Service is important to your customers. It can make or break a restaurant's image. This month's cover story focuses on the crisis in service and what restaurateurs can do to avoid being caught in the poor service trap.

13	A look at the service problem.
17	One solution—"franchise" training programs. Don't miss the sidebar on NRA's video training cassette series.

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Cover photograph by Gary Landsman

SHORT ORDERS

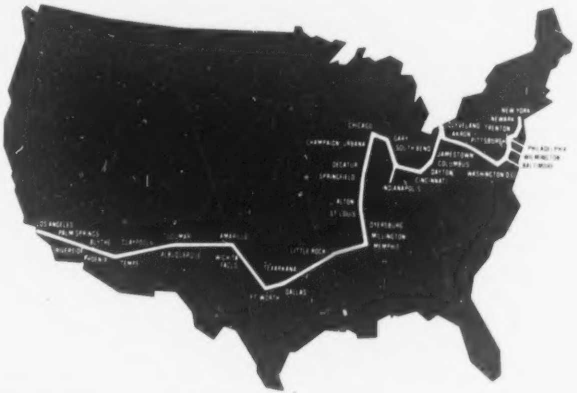
You can extend your hand to America's hungry

On May 25, 1986, at precisely 3:00 p.m. EST something wonderful is going to happen. And you have the opportunity to be part of it. The USA for Africa Foundation, in association with the Coca-Cola Company, will stage Hands Across America (HAA), an incredible one-time fundraising event to help eliminate hunger and homelessness in communities throughout America. In a dramatic gesture, a human chain will stretch hand to hand—and heart to heart—across the United States. The line will become the national symbol of "can do."

Nearly six million people covering 4,100 miles from New York City to Los Angeles will come together to create a new day for their less fortunate brethren.

HAA's goal is to raise at least $150 million. Each person in the line will represent a contribution to HAA of $10, $25 or $35 or more. The money collected will go to existing local and community groups. A contribution of $10 ensures a space in the line and a commemorative certificate, for $25 a T-shirt will be added, and for $35 or more participants will receive a visor and an HAA commemorative pen.

"America is built on the dreams and hopes of millions of people linked together. Our heritage is an attitude of 'can do': If we can dream it, we can make it real," says Anthony J. Tortoria, director of public affairs for Coca-Cola USA. "That is the spirit behind Hands Across America; it is positive, solution-oriented. It is a link to our heritage as a nation and our promise as a people. This is a little guy event. It belongs to the people."



You can participate in Hands Across America in two major ways.

1) You can reserve a space in line for yourself by calling (800) USA-9000 toll free and/or

2) You can participate in the "Sponsor-A-Mile" program. For each mile you underwrite, you provide places in line for 1,320 individuals who could not otherwise afford to be part of the event. Contributions of $10, $25 or $35 or more per person will come to $13,200, $33,000 or $46,200, respectively.

You can sponsor a mile for your employees and/or customers. The specific location of each sponsored mile will be determined by the state office nearest to the donor. If you are interested in sponsoring a mile, contact Sandra Farha, national group coordinator, at (213) 556-1812. Sign up will last until May 1. Line up will last until May 25, just seconds before 3:00 p.m.

As local committees are formed, you may be able to play a role in supplying food and drink as well.

"The Hands Across America program comes straight from the heart. Rarely do we have the opportunity as an organization and as individuals to be involved with such an exciting and inspiring event," notes NRA Executive Vice President William Fisher. "Our energy and our personal commitment can help make the dream of ending hunger a reality. We are a vital link in the chain."

An invitation to invent a winning recipe

Create an original recipe for a dinner entree that is quick, delicious, affordable and appealing to contemporary tastes. And make sure that one of the ingredients is Bisquick®.

Anyone who is a food preparation professional can enter the invitational, including chefs, cooks, caterers and cooking teachers.

The six invitational participants whose recipes are judged the best will receive a $500 cash award and an expense-paid trip to New York in June. They will be the guests of honor at a luncheon featuring their recipes, which will be attended by food editors and writers from the national media. They will also be the subjects of a national publicity campaign.

Entry blanks and complete rules can be obtained by writing The Bisquick Invitational, P.O. Box 5402, Dept. 861, Minneapolis, MN 55460 or by calling (800) 328-6787 Monday through Friday from 7:30 a.m. to 5 p.m. CST. Entries must be postmarked by Tuesday, April 1.

Give your menus to posterity

The New York Public Library wants menus to add to its Culinary Collection, which includes 80,000 items—from cookbooks, periodicals and menus to prints and rare manuscripts.

This collection is used by food researchers, food columnists, restaurateurs, cookbook authors, oenophiles, and others for scholarly and personal uses. The material covers every aspect of food and wine.

If you would like to donate your menu to this collection, please send it to:

Mr. Reynaldo Alejandro,
Culinary Collection, Room 120, Science & Technology Research Center, Fifth Avenue and 42nd Street, New York, NY 10018

WASHINGTON REPORT

New IRS rules on employer-provided eating facilities

The Internal Revenue Service (IRS) has issued new rules regarding employer-provided eating facilities and is applying them retroactively to January 1, 1985. These temporary rules are to be used by employers to determine the taxable benefit, if any, to employees who eat in an employer-maintained foodservice facility.

The rules implement legislation passed in 1984, which makes a company cafeteria a taxable fringe benefit to employees if revenue from the facility does not cover or exceed the company's direct costs.

NRA submitted comments to the IRS last year on the issue of direct costs and argued that direct costs should be narrowly defined. The IRS has adopted NRA's position by limiting the definition to "the cost of food and beverages and the cost of labor for personnel . . . (employed) on the premises."

However, in those cases where direct costs are greater than revenue, the IRS would impose a burdensome formula for allocating income to employees. According to the temporary rules, the value of all meals provided for employees during the year ("total meal value") is deemed to equal 150 percent of the facility's direct costs.

The employer must then allocate the difference between total meal value and gross receipts, either on an individual meal basis or among all employees "in any manner reasonable under the circumstances."

For example, assume a facility has annual direct costs of $100,000 and revenue of $95,000. Using the proposed formula, the company would subtract gross receipts ($95,000) from 150 percent of $100,000 ($150,000) to get the total meal subsidy ($55,000). This $55,000 would be additional taxable income to employees and would have to be allocated by the employer.

NRA submitted comments opposing the 150 percent valuation requirement last month. As best as NRA can determine, the 150 percent figure is arbitrary and is apparently based on the IRS' perception that the prices charged in company eating facilities are less than the fair market value of meals, i.e., what a restaurant would be expected to charge for them. The IRS is trying to capture this hypothetical "fair market" value for tax purposes.

This creates an employer obligation to determine the value of this benefit for taxable year 1985 and to show benefit amounts on 1985 W-2's.

Meals provided "for the convenience of the employer" are exempt from taxation under Sec. 119 of the Internal Revenue Code, and many employers are relying on this provision to escape the effects of this rule. However, it is questionable whether this section can be stretched to cover employees with easy access to outside eating places.

Tell your senators what you think about the caps

If you have not already written your senators on the business marketing meal issue, please do so.

The Senate Finance Committee will begin writing its version of tax reform as early as this month. The House completed its work on a tax reform package (H.R. 3838) last December. Included in that bill is a provision to limit the business meal deduction to 80 percent.

NRA is working to preserve business meal and food-related entertainment deductibility at 100 percent. You can do your part by writing your senators and asking them to oppose any limitations on the deductibility of this legitimate marketing expense.

Please send a copy of your correspondence to the NRA Government Relations Department, NRA, 311 First Street, N.W., Washington, DC 20001

Senate considers tax increases as part of tax reform effort

The effort to reform the nation's tax laws continued last month as the Senate Finance Committee held hearings on the provisions of the House-approved tax bill, H.R. 3838. Finance Committee members are working to reconcile the conflicting demands of constituents, colleagues and the administration as they try to put together a reform bill.

The House bill was passed without any tax increase or new forms of taxation, as per the President's request. To make up for its lower tax brackets, the bill raises revenue by deleting many tax breaks, currently used by both businesses and individuals.

Many senators want to restore some of those tax breaks, including the investment tax credit and accelerated depreciation for new capital investments. To do so, new revenue-raising items are being considered by the Senate.

One option, being pushed by Sen. William Roth (R-DE), is the business transfer tax (BTT). Under this proposal, businesses would pay a seven to 10 percent tax on their gross receipts from domestic sales, minus the expense of raw materials and capital. According to Roth, his proposal would put the U.S. on a more competitive international standing by providing generous incentives for capital investments. The tax would be applied to imports but not exports.

The revenue generated by the BTT would be used to pay for lower tax rates and more generous depreciation than called for in the House bill. An aide to Roth estimates that the tax could raise from $70 billion to $115 billion in the first year, depending upon how it is structured.

Other revenue-raising options under serious consideration include a targeted tax on oil and a broad-based energy tax on consumption.

Reagan expressed his opposition to the inclusion of any new revenue raising items in the tax bill. Supporters of the BTT and other revenue-raising items note that without presidential approval, passage of any revenue-raising proposal would be difficult.

Sen. William Roth (R-DE)

Changes the President wants the Senate to make to H.R. 3838 include: (a) a return to three tax brackets of 15 percent, 25 percent and 35 percent, (b) a $2,000 personal exemption for middle and low-income taxpayers, (c) depreciation schedules closer to current law, (d) more generous treatment of natural resource industries, such as oil, gas and timber and (e) a reduction of the effective capital gains tax rate to 20 percent.

Observers indicate that it will be nearly impossible to create a revenue-neutral bill that includes the administration's "wish list." Sen. Malcolm Wallop (R-WY) noted that agreeing to a bill under the President's current conditions "is something harder than putting a man on Uranus."

The Senate Finance Committee began holding hearings on the tax bill late in January, and expects to begin markup of its tax bill this month. Committee Chairman Bob Packwood (R-OR) hopes to have a bill finished and on the Senate floor by the summer.

Reagan budget proposes to eliminate SBA, require user fees for meat inspections

When the President submitted his 1987 budget proposal to Congress early in February, he proposed to cut the federal deficit by $38.2 billion to $143.6 billion to bring it below the $144 billion deficit target set by the Gramm-Rudman-Hollings balanced budget order.

Budget savings would come from massive spending cuts and slight revenue increases.

Scheduled for substantial cuts or complete elimination are programs termed "non-essential" by the President. *The Small Business Administration* (SBA) *would be dismantled*. SBA credit activities would be ended and its loan portfolio would be sold. Remaining SBA programs, such as procurement and management assistance to minority businesses and the SBA advocacy office, would be transferred to the Commerce Department.

Also scheduled for major reductions or elimination are the Interstate Commerce Commission, the U.S. Travel and Tourism Administration, urban development grants, the Legal Services Corp., some maritime subsidies and the new GI bill.

Social programs are slashed by the President's budget. The reductions include a $4.6 billion cut in Medicare, a $1.3 billion cut in Medicaid, and a $2 billion cut for student aid as well as cuts in child nutrition, food aid and veterans' medical care.

Reagan has also called for *"privatization"* of many federal programs in order to reduce federal competition with the private sector. Programs scheduled for transfer to the private sector include the power marketing administrations, marine petroleum reserves, the Federal Housing Administration, crop insurance and Amtrak subsidies.

Despite previous congressional opposition, the administration has renewed its efforts to require *user fees* for many government services. Under the budget proposal, the government would begin charging user fees for meat and poultry inspection.

The administration also suggests charging increased fees for use of park land and fishing rights, private letter rulings by the Treasury Department, collection of underpaid taxes and customs border processing services. Also called for is an increase in premiums paid by sponsors of single-employer retirement plans to the Pension Benefit Guaranty Corp., which guarantees payment of retirement benefits.

Many aspects of Reagan's budget proposal face stiff opposition in Congress. Members of Congress up for reelection this year will find themselves struggling to come up with a compromise budget that will satisfy both the administration and their constituents.

NRA opposes polygraph ban

NRA is working to defeat a bill that would prohibit employers from using lie detectors. Scheduled to be taken up on the House floor early in the session, the bill bans all polygraph testing in the workplace, including pre-employment screening.

Introduced last year by Rep. Pat Williams (D-MT), H.R. 1524 has more than 160 co-sponsors. The bill not only prohibits employers from requiring employees to take a lie detector test, but it also allows employees to file civil suits against employers who require or suggest that they submit to polygraph testing.

A similar bill, S. 1815, was introduced in the Senate on Oct. 31, 1985 by Sen. Orrin Hatch (R-UT). The Senate bill has seen no action.

NRA opposes the move to eliminate polygraph testing. Proper use of lie detectors helps to reduce employee theft, ensure a high-quality work force and protect consumers from fraud. The polygraph enables employers to confirm information on employment records and assists employers in recovering stolen items.

NRA supports a substitute bill, H.R. 3916, that would institute federal standards for proper use of polygraph testing in the workplace.

—Jay Morris,
Michelle Rabayda

Interview

Lott discusses congressional budget process, taxes, labor

As minority whip, U.S. Rep. Trent Lott (R-MS) is the second-ranking member of the Republican leadership in the House of Representatives. Since his election to the post in 1980, he has developed a political organization described as "extraordinary and effective" by Conservative Digest. *The seven-term congressman also serves on the powerful Rules Committee, which determines which bills will be considered by the House and the "rules" under which they will be debated.*

***NRA NEWS:* The seemingly out-of-control deficit situation has put a spotlight on the congressional budget process, a system that the President in his recent State of the Union address said is "broken" and "doesn't work anymore." Do you agree with his assessment?**

LOTT: I agree absolutely and wholeheartedly. I was an early supporter of the so-called Budget and Impoundment Act of 1974, which totally changed the way we set spending priorities. I had high hopes for it and supported the new process that came out of that legislation. But in 1983 it started dawning on me that it really was not working. Congress was adding up the numbers and falling $100 or $200 billion short, and saying, "Gee, that's too bad," and then just going merrily on its way.

The new Gramm-Rudman-Hollings balanced budget law is another effort to force ourselves to do the job we should have had the courage to do anyway. I hope that this time it will force us to make the choices, set the priorities and reduce the deficit. If we don't, we will either have automatic sequestrations [across-the-board budget cuts] that the new law triggers or we will have to pass another law that says we can't do the job.

Q: The President is calling again for line-item veto authority as a means of stopping wasteful spending without having to veto an entire bill. Do you believe Congress will concede?

A: No, I don't see much chance of him getting it, although I feel very strongly that he should have it—that all Presidents should have it. Many of my conservative colleagues say that they would not mind if Reagan had the line-item veto, but they are not sure they want it for the next president. Others are institutional creatures and say that giving the President such authority would be another abdication of Congress' legislative role. I don't agree.

Q: Will the President's budget cuts be taken more seriously this year because of Gramm-Rudman-Hollings?

A: I don't think his budget is "dead on arrival." There are a lot of very good features in it. The difference this time is that Congress cannot just pitch it out in the street and then do whatever it wants to. We have Gramm-Rudman hanging over our heads, so if Congress doesn't accept the President's program and doesn't want sequestration, it has to come up with something different.

As a congressman from the fifth district of Mississippi, I like the President's budget very much. My district is for strong defense, for space research and for welfare reform. As Republican whip, though, I am concerned about what a united Republican party in the House can support. To get there, I have to concede some points along the way.

Q: What are the chances of a tax increase this year?

A: There is a clamor within Washington for a tax increase, but when you get outside the Washington beltway and stop reading *The New York Times* and *The Washington Post* and listening to the networks, you don't hear it. I ask my constituents every year if we should raise taxes or cut programs to eliminate the deficit. Eighty-nine percent of them say, "Cut spending, you turkey!"

In all seriousness, I think the chances are very likely that there will be some sort of energy tax before the year is over. I am not saying I like it or would support it, but I think the energy tax—either as an import fee or a tax at the gas pump—is a possibility.

Q: How close do you think the Senate will come in meeting the requirements the President has set for a tax reform bill he can sign?

A: It is going to be tough, but I think the Senate can come up with a package that corrects some of the things we didn't like in the House bill. I think it will double the personal exemption to $2,000, restore some of the business incentives the House took away, go back toward current law in depreciation schedules and get capital gains down to where it is under current law.

Q: What can it do on the restaurant issue [business meal deductibility]?

A: I don't know, but it will try to correct some problems in the business area.

Q: Do you see any movement on labor legislation this year, such as increasing the minimum wage?

A: No. I'd like to see the youth opportunity wage passed, but I don't think it will pick up enough momentum this year.

Q: What about immigration reform? How far will that get this year?

A: I think it will get through the House this time.

Q: Will there be employer sanctions?

A: Yes.

Q: Recordkeeping and verification requirements for employers?

A: I think that will be considerably modified from what was in the last bill. In the final analysis, what will determine whether we get a bill out is whether there can be agreement on a guest worker program.

NATIONAL SYMPOSIUM
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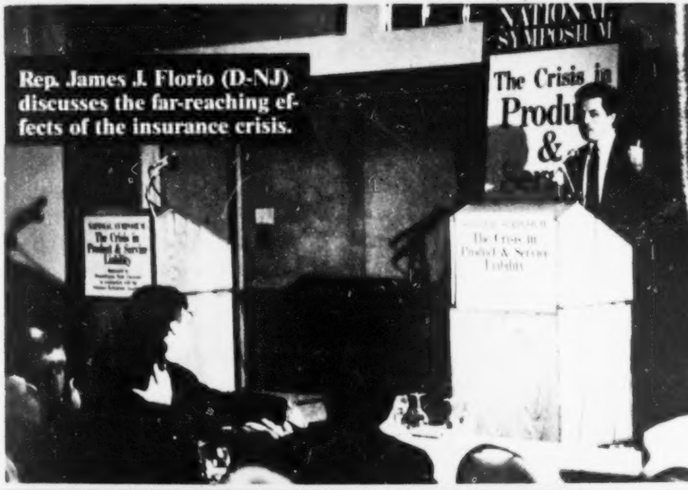
NRA President and Chairman of the Board Ted Balestreri welcomes attendees to the symposium.



Rep. James J. Florio (D-NJ) discusses the far-reaching effects of the insurance crisis.

National symposium focuses on far-reaching implications of the liability crisis

VICTIMS O

"The crisis in product and service liability is a broad social problem. We need to insist that our lawmakers reexamine the tort laws, and we need to evaluate our cynical attitude toward civil legal suits. The alternative is to become a suing society in which . . . the trust involved in human transaction is beaten to the ground."

With this foreboding message, NRA President Ted J. Balestreri opened the national symposium entitled, "The Crisis in Product and Service Liability," sponsored by Pennsylvania State University and the National Restaurant Association. The day-long symposium, held in Washington, DC, on January 29, was presided over by a team of experts representing the federal government, the restaurant industry, the legal and medical professions, the insurance industry and local governments. It was attended by more than 100 foodservice operators and media representatives from across the country.

The purpose of the symposium, according to H.A. (Andy) Devine, Ph.D., of Penn State University, who joined Balestreri in opening the program, was to educate attendees about the far-reaching implications of the liability crisis. "We'll probably not reach any definite conclusions," Devine said. "However, we will get some good grist for our thought mills . . . to discover possible remedies that do not, on the one hand, threaten the continuance of business and professional practices nor, on the other hand, remove the right of redress to the injured, innocent party."

Statistics tell the story . . .

Perhaps the most thought-provoking "grist" came from the alarming statistics cited by industry and government representatives throughout the day. Albert L. Salvatico, managing director of Marsh & McLennan, a large international insurance brokerage organization, reported that one out of every 15 Americans filed a private lawsuit in 1984. George L. Collins, Jr., M.D., secretary-treasurer of the American Medical Association (AMA), documented an increase in civil cases in federal district courts from 35,000 in 1940 to 180,000 in 1981. And Richard K. Willard, assistant U.S. attorney general heading the Reagan administration's Tort Policy Working Group, said that in 1985 insurers suffered underwriting losses of $25 billion—the worst year since the San Francisco earthquake of 1906.

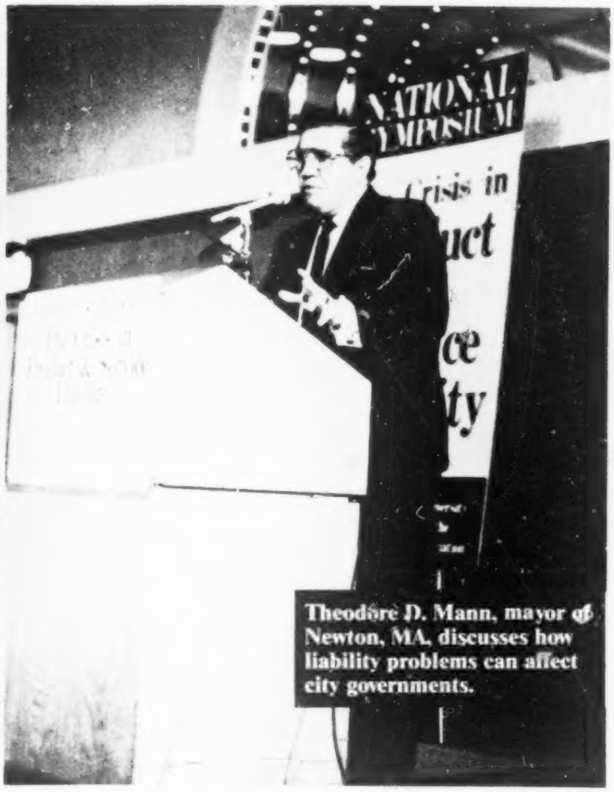
But it is not these dramatic increases in civil suits alone that have resulted in the national liability crisis. Each industry speaker had his own horror stories to tell about escalating premium costs or, in some cases, the inability to get insurance coverage at any price. Collins told of AMA members whose average premium costs have gone up 45 percent in the last two years. In New York City, he reported, average premiums for physicians have risen 312 percent since 1975. Theodore D. Mann, mayor of Newton, MA, whose city has been the target of more than $20 million in tort and civil rights claims since 1978, has decided to "go bare"—that is, to self-insure—in order to beat the escalating costs of insurance coverage.

Effect on foodservice . . .

In describing the effect of the crisis on the foodservice industry, NRA Executive Vice President William P. Fisher said that "what makes our situation slightly different is that the court actions we face are third-party liability lawsuits." That is, the restau-

Victor Schwartz, partner in the Crowell & Moring law firm and chairman of the Federal Interagency Task Force on Product Liability, outlines current liability legislation.

F VICTIMS


Theodore D. Mann, mayor of Newton, MA, discusses how liability problems can affect city governments.

rateur is not the actual cause of the damage, but he or she is held liable anyway. Fisher said 40 states currently have dram shop laws or a common law precedent which allow third-party liquor liability suits.

The increases in premium costs cited by Fisher were among the most dramatic heard by attendees. He told of a Washington, DC, operator whose premium went from $185 to $26,500 in one year, a Michigan operator who experienced a one-year increase from $6,700 to $30,520 and a New Jersey operator whose total liability package rose from $25,000 to $92,000 in one year.

Fisher also outlined the results of a Gallup survey, commissioned by NRA, which revealed that 69 percent of restaurateurs polled reported liquor liability premium increases during the previous year—even though 91 percent said they had never been named in a lawsuit. The average increase in insurance premiums was 110 percent, and the average price tag for liquor liability insurance was $39,500.

What must be done . . .

The primary solution to the liability crisis, urged by all those who took the podium, as well as by attendees, was reform of existing federal and state tort laws. But even more fundamentally, together with those changes must come a change in society's attitude regarding suing.

Said Bill Fisher, "Our current attitude is summed up in two sentences. 'It doesn't matter if they are responsible or not. Their insurance will cover it.' As a society we tend to forget the obvious—all of us pay the penalty for every court judgment. We pay it in

NRA calls for reforms

During the symposium, NRA officials outlined four specific dram shop law reforms NRA would like to see enacted in every state:

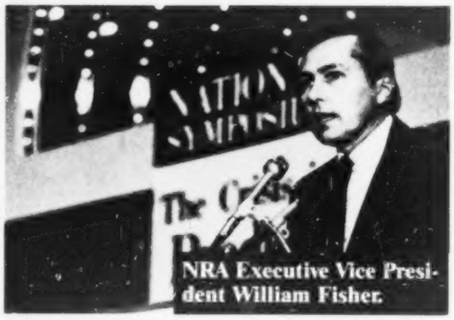
1. Dollar caps placed on the defendant's liability. Caps would assure a fair and equitable recovery for injured parties. They also would lend the kind of predictability to awards that the insurance industry claims is necessary to curb unreasonable premium increases.

2. Liquor liability cases governed by the principle of "comparative negligence" and financial liability based solely on the defendant's percentage of responsibility for the accident. This would be a major attack on the "deep pocket" syndrome, which finds individuals named as defendants primarily because they have insurance and can pay a steep penalty.

3. Advance notice of a liquor liability case provided by the plaintiff. Currently, the defendant's first notice of a suit comes when it is filed. This can be two years, three years or even more after the accident. At that point, the defendant often finds it impossible to reconstruct events and present a strong defense.

4. Reduction of time frame for filing a suit under the statue of limitations.

Members of the Panel on Responsible Service discuss alcohol awareness and employee training programs.



NRA Executive Vice President William Fisher.

Dick May, president, Specialty Restaurant Division, Gilbert Robinson, Inc., highlights alcohol-related company programs.

Question and answer sessions after each speaker encouraged audience participation and enabled attendees to focus on specific concerns.

higher insurance premiums, in the loss of goods and services, in higher prices and in higher taxes."

Albert Salvatico of Marsh & McLennan concurred, predicting that "In the coming months we are going to see a public relations campaign, aimed at the consumer, that says, 'This is not the lottery. If your friend wins, you lose. You have to pay for this.' "

In fact, attendees were told that the campaign has already begun, with five NRA Board members currently touring the country and alerting the American public to the crisis through print and broadcast media.

NRA Chairman of the Board and President Ted Balestreri (Sardine Factory, Inc., Monterey, CA); Vice President G. "Jim" Hasslocher (Frontier Enterprises, San Antonio, TX); Treasurer Michael Grisanti (Casa Grisanti, Inc., Louisville, KY); Stephen Elmont (Creative Gourmet, Ltd., Boston, MA) and Paul Lazar (Wharf Tavern, Inc., Warren, RI) are the NRA Board spokesmen.

Regarding federal tort law reform, Congressman James J. Florio (D-NJ), chairman of the House Subcommittee on Commerce, Transportation and Tourism, addressed the group, acknowledging that federal involvement in the crisis has been limited because regulation of insurance has been regarded as a state function. However, Florio foresees an increased federal role in guiding and/or implementing reform legislation.

Richard Willard of the administration's Tort Policy Working Group outlined reform measures being examined by the federal committee, such as limits on punitive damage awards, restrictions on joint and several liability and reduction of transaction costs by limiting attorneys' fees. Willard seemed optimistic that these developing policies would soon become law and that state governments would be following suit.

The "patchwork quilt" status of current state laws and the many differences between them were most effectively demonstrated by a late-afternoon panel which focused on dram shop laws as a case in point. Leaders from the state restaurant associations of Florida, Minnesota, Missouri and North Carolina explained the contrasting laws that exist in their states. In Florida, for instance, the dram shop law is only 93 words long. It establishes that citizens may not sue for third-party liability unless a minor or habitual drunkard is involved. By contrast, two states away in North Carolina, the laws allow for an uncapped liability limit, punitive damages, contingency fees and joint and several liability. They also set no time period for filing a suit.

Victims of victims . . .

As Andy Devine predicted, by the symposium's end no hard and fast solutions were drawn toward the resolution of the liability crisis. However, attendees did come away with a much greater understanding of the crisis and a determination to pressure for reform. Said Devine, "The magnitude of the problem is that product and service industries are caught in the middle. They are truly the victims of victims."

—Anne Papa

Analysis

THE CRISIS IN

SERVICE

A LOOK AT THE PROBLEM

by Toni Lydecker

"Many servers seem to take no pride in their work," complains Marion Burros, food columnist for the *New York Times*. "They don't know how to clear a table. They are extraordinarily inattentive. They are never there when you need them."

Other critics shake their heads over servers who mix up orders, neglect customers when managers turn their backs or need to be told that friendliness and cleanliness matter.

Rising expectations may account for part of the dissatisfaction with service. "We're dealing with an aging, more experienced society that has travelled the world and knows what good service is," points out Donald Smith. Consumers have already acquired many material comforts, he says, and now their priorities are shifting to intangible goods such as service.

Recent studies support this impression. In NRA focus group research

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Toni Lydecker is a free-lance writer in the Washington, DC, area who writes frequently on foodservice topics for the ***NRA NEWS.***

"People no longer take good service for granted. When service meets or exceeds expectations, they perceive it as an added benefit."

(qualitative, not quantitative research) this past September, participants repeatedly cited "service" or "poor service" as critical to their restaurant experience in all types of restaurants.

Similarly, the October 1985 Gallup Monthly Report on Eating Out found that service not only influences whether customers return but it also determines whether they recommend the restaurant to others. "It's incredible how much diners will put up with if they are treated properly. Mediocre food, too much noise, cramped tables all appear to be accepted as long as people are greeted with a welcoming smile and are made to feel that the management cares about them," Gallup reports. But if the service slips and the experience is negative, 34 percent of the respondents said they would pass this information on to a friend.

Restaurant operators, too, are worried about the overall industry conditions. The perceived decline in service quality is often linked to a shortage of servers who meet high professional standards. "You don't see as many professional servers as you did 20 years ago," says NRA Director Ralph Brennan, owner of Mr. B's, New Orleans, LA.

The problem is likely to get worse, as the number of job openings exceeds the number of applicants. Scrambling just to fill job slots, some restaurateurs fear that maintaining high service standards is a utopian dream.

What went wrong . . .

Some observers trace the origins of the service problem back to the 1960s when the franchise boom brought droves of young, inexperienced servers and managers into the industry.

Many of the new recruits had no intention of making a lifetime commitment to the restaurant industry. "The human resources pool that came after the Depression and World War II had the mindset that the supply of jobs would always exceed the demand," says Donald Smith, professor of hospitality marketing, Michigan State University, East Lansing, MI. And members of this human resources pool passed this belief on to others. Convinced that their employers need them more than they need their employers, recent generations of managers and servers have felt little pressure to perform at their best.

Meanwhile, changes in family structure and public education have weakened traditional values intrinsic to delivering good service. Youngsters who fail to learn "the ethic of courtesy" at home or in school may never really master that concept when they enter foodservice jobs, observes Jerry Goodwin of Reese Coffee Houses, Denver, CO.

Saddled with a labor pool that appears to have little staying power, some operators adopt an "easy come, easy go" attitude, cutting their losses by offering servers—and sometimes managers—only cursory training and few incentives to stay. The result, of course, is an even more poorly trained and less motivated staff.

Hospitality management schools may be partly to blame for the current situation because they fail to emphasize the philosophy and practice of good service. "Too many management training programs turn out graduates with a great background in things like accounting and portion control but no knowledge of the fine points of serving," notes Gary Penn, founder of the Professional Waiters School, Los Angeles, CA. "Servers touch the rim of the wine glass when placing it in front of the customer—it's like they have never heard of the stem—and managers just let it pass. Or the manager fails to teach servers that it's more courteous to say, 'May I take your plate?' than 'Are you done yet?' "

Some management schools are taking the offensive. At Michigan State University, for example, graduate students in hospitality management are learning how to inspire, to recognize and to reward "hospitality-added service." With computers taking over much of the bookkeeping and other paperwork, adds Smith, managers can get out of the office and spend more time on the floor. They can become models and leaders for the service staff.

By walking the floor, managers can gather intimate knowledge of how customers are being served and can show staff, by example, the intricate organizational and "people" skills that go into good service.

Rethinking the image . . .

A server wryly quotes comedian Rodney Dangerfield: "We don't get no respect." She is expressing the most commonly cited reason for the nosedive of serving as a profession: Few customers, restaurant owners and managers consider serving a highly skilled or prestigious occupation. In fact, neither do many servers.

- **Sales representative.** "Think of the demeaning names we use. 'Wait-

"Good service depends on the degree of sincerity shown, the relationship between the server and customer."

er,' 'waitress,' 'wait staff,' 'server' all emphasize the subservient side of the job," observes Donald Smith. Believing that such terms fail to communicate the essence of the job, he suggests substituting the title "sales associate"—not as a euphemism but as a controlling concept that can change attitudes and, eventually, reshape recruitment, training and personnel policies.

Serving is a basic commission job designed to reward people who display energy, talent and perserverance—and to reward the restaurants lucky enough to employ them. Consider that a server in a white tablecloth restaurant may account for $200,000 to $300,000 a year in sales, and the vital importance of this person's sales ability comes into focus.

Participants in NRA's focus group research agree that the server's recommendation was critical to their decision to try a new menu item. The server who, when asked about a fish specialty, replies, "I don't eat fish myself," has represented the restaurant badly. In contrast, the promotion-minded server who carefully explains the menu has demonstrated impressive—and valuable—sales skills.

- **Coordinator.** From another perspective, servers function much as a hotel concierge does. They are coordinators—selecting, pulling together and customizing various elements to help create the customer's dining experience.
- **Social host.** Yet another model for servers is that of the host entertaining guests at home. At the Frankenmuth Bavarian Inn, located in Frankenmuth, MI, a town with a strong German heritage, service goals are summed up in the word *gemutlichkeit*. According to owner Bill Zehnder, "The closest English equivalent to *gemutlichkeit* is 'hospitality' or 'friendliness,' but it goes a little beyond. It's the hug, the glass of welcoming wine, the feeling of warmth you give to close friends. We want our servers to make guests feel the same way."
- **Artist.** Every server is, to a degree, an artist. That creativity is evident in the finesse with which a souffle is presented, the dazzling flash of the cleaver as a Peking duck is carved at tableside or the precise timing of a remark designed to lift a customer's spirits.

As managers, customers and servers themselves begin to recognize the complex mix of natural aptitude and acquired skills involved in serving, a renewed sense of professionalism could take root.

A sound investment . . .

Operators who value good service must take the next step: investing time and money in those who deliver it. This means seeking out people with the potential to become excellent servers. As Bill Zehnder puts it, "You can teach them where to place the coffee, but personality and enthusiasm are another thing. You can't give a server that spark, that twinkle in the eye" that makes the difference between good and mediocre service.

Selection is only the beginning. "Restaurants need to reward servers with compensatory packages designed to keep them for the long term," suggests Ralph Brennan.

Videotape technology and other developments are laying the groundwork for vastly expanded, cost-effective training programs. But the message as well as the medium must be revolutionized.

Some observers argue that server training programs need to concentrate less on quantitatively measurable aspects of service and more on the qualitative dimensions. "Good service depends on the degree of sincerity shown, the relationship between the server and the customer. You can't put a handle on it, but you know when you've got it," says Donald Smith. He once fumbled for a penny at a Kentucky Fried Chicken unit, while trying to avoid breaking another dollar. With a flourish, the server supplied the penny out of her own pocket. "Such a little thing, but I felt more good will for that server and restaurant than you can imagine," he recalls.

The pay-off . . .

The service crisis offers restaurateurs an incomparable opportunity to "get a leg up" on the competition. "People no longer take good service for granted. When service meets or

Participants in NRA's focus group research agree that the server's recommendation was critical to their decision to try a new menu item.

exceeds their expectations, they perceive it as an added benefit," explains Donald Smith.

For servers, gratuities are a built-in reward system for superior service. "Hundreds of times a year, the compliments and insults are right there in front of you on the tip tray. It's instant gratification or mortification," says Janet Murray, head waitress at Gallagher's, San Antonio, TX.

But servers need to know that their efforts and opinions count as much with management as with customers. Managers should devote more effort to praising servers, when their performance merits it, and to listening. Whether in meetings or one-on-one, servers should have a chance to sound off about frustrations and problems. Nor should their ability to offer constructive suggestions be overlooked. After all, servers are in the best position to tell management that last weekend's special bombed with customers or that the kitchen consistently runs out of the signature dessert.

Finally, servers should know that superior performance will win them the offer of a job as maitre d', dining room host or catering manager.

"We promote about 50 percent of our hourly people," says Nancy Kawryga, director of personnel and training, Big 4 Restaurants, Phoenix, AZ. "Some servers don't want the added responsibility of going into management, but others do. The companies with a lot of turnover are the ones that never promote—where servers see their work as a dead end."

Signs of rebirth? . . .

We may never return to the days when the typical server devoted 30 years to the industry. The new prototype may be the person who devotes 5 to 15 years to serving, then moves on to another job, preferably within the restaurant industry.

The success of the Professional Waiters School reveals a lively interest in serving as a career. "Our students are intelligent and well-educated people," says founder Gary Penn. "Many are looking for a new career. They have found that a fancy title like 'account executive' doesn't make up for mediocre pay and work."

The chance to earn a comfortable living, to meet interesting, exciting people and to have a more flexible work schedule are all incentives to become a professional server. But there's something more: "the high" of getting it all done, of accomplishing a complex job well.

"Many owners are no longer willing to settle for someone with a nice smile. They want servers who respect the industry and are knowledgeable, who know how to crumb a table, how to explain how a compound butter sauce is made and how to serve wine properly," says Penn.

With celebrity chefs turning up regularly on television screens and in magazines, are servers on their way to stardom? The public will never be as intrigued by the art of serving as by culinary skills, but some glamour is, indeed, beginning to spill over from the kitchen. Already, top servers and bartenders are featured in city magazines and on talk shows.

Increased recognition by management and the media is certain to boost the image of serving as a profession. But in the long run, negative concepts of servers must be fought from the inside out, by servers who feel and act like professionals. As server Janet Murray says, "It's all in a person's head. If you respect yourself and think your occupation is a worthy one, that attitude comes across to other people." ❑

THE CRISIS IN SERVICE

TRAINING

THE FRANCHISE SOLUTION

by Kathy Boyle

Some training programs—especially those pioneered by the large chains—have succeeded admirably in teaching basic skills and in introducing concrete standards for measuring service.

In the past, restaurant training programs focused entirely on the technical skills necessary to run a restaurant: chopping vegetables at the prep station, refilling the deep fat fryer or stocking the freezer. Today, a growing number of alert restaurateurs are refocusing their training programs to stress excellence in service. This is no mistake. As research studies have recently demonstrated, the public often rates its dining experience by the service received. And that service is not always what it could be. (See preceding article.)

Employee age—one factor . . .

There is a general feeling among industry observers that at least part of the crisis in service is a result of the youthfulness of many foodservice employees. The fast food segment, in particular, frequently provides the first job for a teenager. These young employees often need help to develop successful customer service relationships. Trainers warn, however, not to focus too much on the technical side of service—how to set a table, how to write a guest check—but rather on the more important "people" side of service—the smile, the greeting, the friendliness.

This people approach is common at Domino's Pizza, Inc., headquartered in Ann Arbor, MI (2,900 units) where the average age of an employee is 22½. Elaine Owsley, training coordinator for Domino's, candidly explains, "Let's face it. It's their first job. They are young, and they are not used to considering other people's feelings." That is why Domino's training thrust is to get employees thinking about others. "We keep trying to bring them back to the question, 'How would you want to be treated in this situation?' " says Owsley. "Without talking down to them, we try to translate lofty concepts into situations they understand. Domino's managers talk about customer complaints and problems. "Our goal is to get employees to realize that if the customer is not happy, we'll be out of business, and they won't have a job," adds Owsley.

If hospitality is poor, 3 out of 4 guests won't be back.

Kathy Boyle is a free-lance writer in the Washington, DC, area who writes frequently on foodservice topics for ***NRA NEWS.***

Today's trainers must focus on the "people" side of service—the smile, greeting, friendliness.

Management—not to be neglected . . .

As Domino's demonstrates, a good management team is needed to help hourly employees make the transition into the industry. That is why many operations are building stronger management curricula. At Burger King (headquartered in Miami, FL, 4,527 units), this year's advanced courses emphasize the "people" side of the operation. In 1986 the chain will offer a five-day course called "People—The Winning Edge" 24 times. According to Cheryl DePhillips, professor at Burger King University in Miami, FL, the curriculum is geared to "conceptually open a manager's eyes to the interpersonal skills of management."

Trainers admit that many experienced managers become "too routinized, too rigid and too production-oriented." Retraining gives managers a chance to reconsider the exceptional or nonroutine service experience that can distinguish their unit from their competitor's. Also, retraining is important to rebuild their enthusiasm, pride and sense of belonging, which they may eventually share with their staff and customers.

A solid foundation . . .

Retraining programs, of course, only make sense if there has been a solid training program at the time of employment. The franchise industry has made its mark by its successful "tell, show and do" approach to training.

Even when they downplay the more formalized, step-by-step, do-it-by-the-company-manual approach, in some form or other all training programs teach standardized procedures similar to those in a manual to reinforce company procedures. Often this means total immersion in a training program for a two to eight-week period with a follow-up apprenticeship for up to two years. The standard program includes a period of hands-on, in-store training to get the trainees' feet wet, time in the classroom and then more training on-site.

At the Friendly Ice Cream Corporation (headquartered in Wilbraham, MA; 720 units), no distinction is made between management and hourly trainees during the first six weeks of training. Would-be managers must work every position until they achieve a specified level of competency. Knowing such skills as how to wait on customers, how to operate the grill and how to manage the inventory is necessary to build credibility, according to Robert F. Wickstrom, manager of Friendly's management training program. In addition, this hands-on training helps managers recognize problems.

Not only must the trainees learn the skills for themselves, however, they must also be able to teach those skills to others. From the second week of training, Friendly's requires that management trainees teach other staff members what they learn.

After the new trainees understand the skills required, they are given responsibility for planning a shift, from scheduling to supervising. Then at a later date, they attend a follow-up workshop to consider management techniques which might have made planning and running the shift easier. An experienced trainer guides discussions. "If there were hourly workers who came late," says Wick, "the discussion may center around various options for what to do when employees are tardy. They may share ideas for building employee enthusiasm, which may be lacking, and which may be the real, underlying source of the lateness. Or they may be given suggestions on how to help an employee with scheduling problems, such as finding a backup ride to work or locating a qualified babysitter."

Depending on the company, filmstrips, videos, group exercises, or roleplaying could substitute for the discussion used at Friendly's. Integrating hands-on training with follow-up management training is rapidly becoming the norm. The idea is to cultivate thinking employees who understand people and service, combining the two together. Knowing customer expectations also helps. A company may know from its market research data, for example, that its typical luncheon customers expect to be served in three to four minutes from the time they place their order at the counter. Sharing this information with trainees helps them understand what is expected of them and why customers may be disgruntled when their orders are delayed.

Building pride—worth the money . . .

One important objective that could well be emulated by others is the attempt by franchises to build employees' pride in their companies. Pride is worth the expense of training—even in plush surroundings, admits Billie Brown, manager of media relations for Kentucky Fried Chicken (headquartered in Louisville, KY; 6,300 units). Time devoted to building company spirit during training "becomes a self-fulfilling prophecy," she says, because a new manager's enthusiasm spreads to the rest of the team when he or she returns.

Company pride is built by individualized attention to students during training and careful study of the company's facilities.

Top management's involvement in the training program is also important. Despite the overwhelming size of the McDonald's Corporation (headquartered in Oak Brook, IL; 9,000 units), top management attempts to develop and keep strong ties with managers, even as they begin their initial training. "We are a very grassroots company," says Terry Capatosto, media relations manager. "Our president started out as a grillman making 85 cents an hour. And we realize we must support our first-line employees. We never lose sight of their problems."

DePhillips of Burger King University concurs. She explains that the company does not differentiate between seminar registrants. "This past April our CEO registered for a course like everyone else."

Red Lobster waits until the 14th week of training to bring management trainees to company headquarters in Orlando, FL, but once there, trainees are routinely scheduled for a welcome dinner the first night. The following morning they are welcomed by the company's executive committee at a breakfast where the various officers share their philosophies as well as long and short-term company goals. "It really gives them a boost," says Ray Kavanaugh, director of human resources for Red Lobster, "and reinforces what they have been hearing during their training. It is our chance to drive home our key training issues."

In sum . . .

The current emphasis in foodservice training combines the older, familiar "hands-on" approach with management skills training. The goal is to develop thinking, flexible, problem-solving managers capable of communicating hospitality expectations to their employees and providing the "exceptional service experience" expected by today's customer. ❑

NRA develops video training library

Although restaurateurs have struggled for years to find the right formula for staff training, a lack of time, expertise and funds has confined much of the industry's training to on-the-job hard knocks. This practice may be changing as more operators discover video.

Because NRA is convinced that video training is a ready-made recipe for training, it has developed a video training library. The first four tapes in this library were released in January and focus on front-of-the-house waitstaff training. Another four-tape series on back-of-the-house skills will follow in June. Later series will be announced.

"Industry estimates reveal that the costs of replacing an hourly employee range from $500 to $2,500. Traditional training methods account for a majority of that cost. Video training can reduce those figures substantially," maintains NRA Education Program Director Larry Fidel. Video training provides the entire standardized training package. "With one simple review of the materials, an operator, manager or trainer is ready to conduct a training session or turn the program over to an employee for self-instruction."

Each NRA training program includes

- the videocassette (12 to 17 minutes)
- the leader's guide, complete with employee-student exercises and answers as well as
- the employees' course materials and folders.

The program can be used as part of an orientation program for each new employee or as a refresher course for the entire staff.

Basic waitstaff skills . . .

NRA's first videotape training series, *Waitstaff Training*, covers the basic skills necessary for professional servers.

"Service Part 1" focuses on waiter/waitress preparation, customer greeting and order taking—all designed to guarantee that the waitstaff creates a positive dining mood for customers.

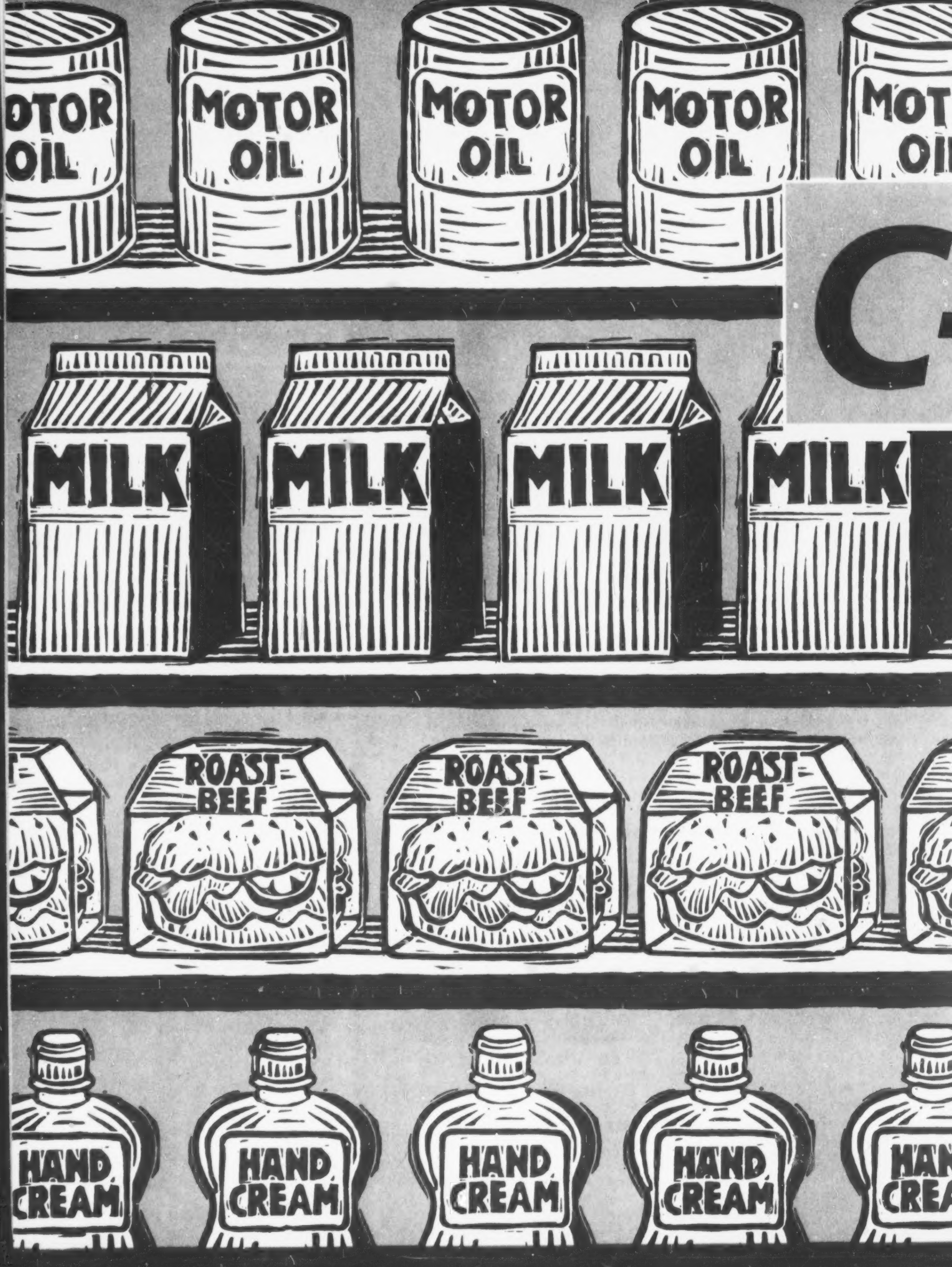
"Service Part 2" concentrates on the skills necessary for serving the meal, maintaining service, presenting the check and saying farewell. Employees have an opportunity to discuss actual service techniques.

"Winning Tips," the third tape in the series, explains and demonstrates the advantages of suggestive selling. Student exercises are designed to illustrate that suggestive selling can boost employee tips as well as increase customer satisfaction.

Tape four, "Teamwork," demonstrates the payoffs of working together as a team. It focuses on the key role each restaurant employee plays in making the restaurant a winner. Each tape is sold individually and as part of the four-tape series.

NRA's first venture into video training was well researched and planned. A committee of industry advisors worked with the education programs department to select the training subjects. During the development stage, a committee reviewed program development to ensure applicability to a wide variety of restaurant operations.

For more information, contact NRA's education programs department in Washington, DC.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-STORES

Moving into the Fast Food Lane

by Anne Papa

dozen years ago, the sale of fast food items in convenience stores represented only 1.5 percent of total convenience store (C-store) sales nationwide.

By 1980, that figure had risen to four percent.

Today, the sale of fast food items in C-stores accounts for a whopping 9.7 percent of total sales—almost three million dollars of profit in a three billion dollar industry.

"The steady increase in in-store growth of fast food, coupled with the healthy overall growth of our industry, has given C-stores a confident position in the total fast food market," reports Kerley LeBoeuf, president and chief executive officer of the National Association of Convenience Stores (NACS) in Washington, DC. And although LeBoeuf estimates that fast food growth in C-stores should stabilize at the current 10 percent level, the fact remains that C-stores have become a fast food force to be reckoned with.

"We definitely view fast food restaurants as our competitors," says Steve Schwitalla, senior vice president of foodservice for Phoenix, AZ-based Circle K Corporation, the second largest C-store chain in the country (3,160 units). "Every time a customer buys food at our stores, that's a meal the fast food chains didn't get."

C-stores offer "something for everyone" . . .

Schwitalla attributes Circle K's initial entry into the fast food market 10 years ago to the company's desire to provide "something for everyone. The traditional C-store customer is the 18 to 34-year-old, blue collar male," Schwitalla explains. "By introducing fast food in our stores, we hoped to attract the 'non-traditional' customer—women and older or younger patrons."

Popular fast food items in C-stores

Fast food represents 9.7 percent of all C-store sales. Of that percentage:

- 2.4 percent of sales are fountain drinks
- 1.7 percent are fresh made sandwiches
- 1.3 percent are deli items other than sandwiches (salads, etc.)
- 1.2 percent are frozen sandwiches
- 1.2 percent are hot beverages
- 0.5 percent are frozen beverages (slushes, etc.)
- 0.2 percent are food items cooked on-site (fried chicken, nachos, etc.) and
- 1.2 percent are all other fast food items.

Source: National Association of Convenience Stores, *1985 State of the Convenience Store Industry.*

"Initially, many fast food purchases in C-stores were made on impulse," explains Kerley LeBoeuf of NACS. "A customer who came in for a carton of milk would buy a deli sandwich because it was a lot easier than stopping again somewhere else." In this manner, C-stores were able to build their fast food image—and, eventually, become a destination stop for fast food customers.

Indeed, it is C-stores' track record of providing convenience, fast service and variety—"something for everyone"—that originally paved the way for success in the fast food market. Consumers who depend on C-stores for one-stop shopping and in-and-out service regard fast food as a natural extension of those services.

Convenience. Research conducted for Circle K found that 70 percent of the customers who shopped at Circle K outlets did so primarily for convenience. This is true for the fast food customer as well as the grocery shopper or person who stops for gas. "We have more locations in each major city than do most fast food chains," says Steve Schwitalla. "That means we are literally right around the cor-

Pat Morrison

ner from many offices or neighborhoods."

Doug Reed, assistant manager of media relations for Southland Corporation (Dallas, TX), which operates 7,500 7-Eleven stores in the United States and Canada—the largest C-store chain in the country—also attributes the chain's fast food success to high market penetration and visibility. "Customers are going to make a choice—either they'll come to us or go to a fast food restaurant," he reasons. "Because they see 7-Elevens all over the place, they'll come to us. We are simply easier to get to."

Reed also points out that many C-stores stay open 24 hours, thus making them more convenient for customers. "Long after many fast food places have closed for the night, there are a lot of hungry people still out there," he says. "A quick stop at a 7-Eleven is a lot more appealing than preparing food at home."

And not to be overlooked is the one-stop shopper who likes picking up a quick meal and a few groceries all at one location. In fact, many C-store owners maintain that this aspect of C-store service gives them the edge over fast food restaurants. Asks Randy Fulkerson, vice president of Huck's Convenience Stores (Carmi, IL-based; 112 units), "What type of fast food restaurant can also offer a carton of milk, a choice of magazines or a tank of gas?" Fulkerson estimates that many shoppers are looking for both fast food and traditional C-store items. "They'll come in for a sandwich, but they'll leave with a bag full of grocery items," he observes.

Variety. Just as customers expect to find one of everything on C-store grocery shelves, so have they come to expect a wide variety of fast food items. Fountain drinks are the highest selling fast food item in C-stores, according to NACS (see chart), with fresh sandwiches running second. But beyond these traditional items, C-store operators are serving a variety of foods designed to lure today's discriminating consumer:

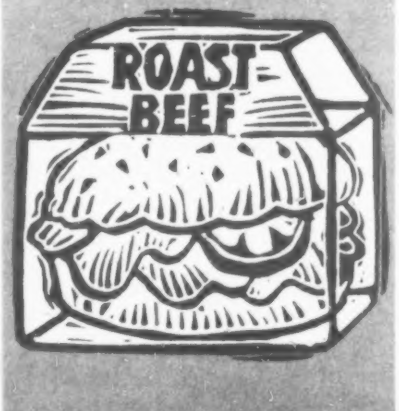
- 7-Eleven has introduced *fresh produce* (mainly apples, oranges and bananas) in some units to appeal to the female nutrition-conscious consumer. The company is also test-marketing *on-premises bakeries* in 50 stores in Austin, TX. The bakeries specialize in sweet rolls, donuts, cakes and pies—fresh-baked items that may appeal to the same female consumer. (See February 1986 ***NRA NEWS*** article on dietary schizophrenia.)
- Circle K franchisees around the country serve a core menu of 15 *fresh sandwiches*. But in addition, operators in each state have "elective" regional menu items to choose from. In south Florida, for instance, Circle K's "Cuban sandwich"—roasted pork, cheese and luncheon meat on unleavened bread—is a big seller. In Texas, a barbecue beef sandwich is a popular favorite, but in the Southeast—"where you couldn't *give* barbecue beef away," according to Steve Schwitalla—a barbecue pork sandwich makes the cash registers sing.
- In Seattle, WA, a three-unit C-store chain called Little Biscuit Deli-Markets could easily hold its own with *gourmet* carry-outs or specialty shops. Explains owner Steve Broetje, "We've taken the traditional C-store image and upgraded it." Fast food at the Little Biscuit stores consists of fresh deli sandwiches made to order, quiches, soups, fresh baked items and hand-dipped ice cream. Even the coffee is fresh ground daily. "It's an upscale touch that doesn't cost us an extra penny," says Broetje.
- Finally, even C-store owners who stick to the basic fast food items—fresh and frozen sandwiches, pastries, hot dogs rotating on a grill, nachos and hot or cold beverages—offer customers the option of *customizing* their own meals. Self-serve ice machines and condiment stands let customers orchestrate meals that are exactly to their liking.

Fast service. Both fast food restaurants and C-stores have built reputations on their ability to provide fast

"We definitely view fast food restaurants as our competitors. Every time a customer buys food at our stores, that's a meal the fast food chains didn't get."

"Long after many fast food places have closed for the night, there are a lot of hungry people still out there."

"Extra labor is a fact of life for fast food service. That is why not all of our stores offer fast food."



service. Some C-store owners maintain they have the edge in this crucial area also because C-stores are specifically designed to serve carry-out meals. "The average Circle K customer is in and out of our stores in two to three minutes," says Steve Schwitalla. Doug Reed of 7-Eleven agrees, "The absence of tables in most of our units makes it clear to customers that we are geared toward carry-out. Obviously, getting food to go is much quicker than lingering at a booth."

Even in stores that do have booths or stools, such as Cumberland Farms convenience stores (Canton, MA-based; 1,170 units), customers are not likely to linger. "The tables may be filled during prime meal times, but generally people use them as 'prep' tables— adding cream to their coffee or mustard to their sandwiches," observes David Alger, director of store marketing. "The majority of our customers are buying food to go."

But there are drawbacks . . .

In addition to creating a new profit center for their businesses, however, many C-store owners acknowledge that fast food service creates its own set of problems. Says Kerley LeBoeuf of NACS, "Many C-store innovators are recognizing the drawbacks of fast food service. Some are even reducing or discontinuing it. There is a lot of used restaurant equipment for sale in C-stores."

Chief among the drawbacks is the fact that fast food service is much more labor-intensive than traditional C-store service. Says Gene Clark, director of marketing and advertising for Jitney Jr. stores (Jackson, MS-based; 436 units), "Extra labor is a fact of life for fast food service. That is why not all of our stores offer fast food. We weigh very carefully whether profitability will offset added costs before introducing fast food in a unit." Randy Fulkerson of Huck's concurs, "Fast food service not only requires that more employees be on hand, but the training of those employees is also much more intensive." He adds that fast food preparation requires a more specialized employee. "If you sell a bad can of pork and beans, it doesn't reflect poorly on your store. But if your employees make a bad sandwich, you are held responsible in the mind of your customer," he explains.

The extra work for employees does have its advantages, however. "It gives your clerks something else to do," says 7-Eleven's Doug Reed. "Added labor means added security," points out Steve Broetje of Little Biscuit Deli-Markets, because more employees are in the store. And at Cumberland Farms, most fast food preparation is done at a central commissary, with items shipped out daily to all units." "We are able to pool labor and minimize cost by centralizing preparation," maintains David Alger.

Equipment costs, space limitations and increased sanitation requirements are other obstacles to fast food service. "Before getting into or expanding fast food service, C-store owners must evaluate all factors, both positive and negative," advises Kerley LeBoeuf. "Then they must determine at what percentage fast food stops being profitable and starts being detrimental." Many major C-store companies fall in line with NACS' national average, with approximately 10 percent of their businesses devoted to fast food.

In sum . . .

C-store owners are not likely to be knocking down grocery shelves to make room for 100 percent, full-fledged fast food operations in the near future. But when evaluating the marketplace, foodservice operators would be wise to recognize C-stores as significant competitors in the fast food market. ❑

"What type of fast food restaurant can also offer a carton of milk, a choice of magazines or a tank of gas?"

"Many C-store innovators are recognizing the drawbacks of fast food service. Some are even reducing or discontinuing it. There is a lot of used restaurant equipment for sale in C-stores."

"Customers are going to make a choice-- either they'll come to us or go to a fast food restaurant."

Planning the Restaura

by J.M. (Woody) Woodburn and Rohit Bhayana

By definition, a prototype is the first of its kind, a model upon which succeeding units are developed. In foodservice it represents the first of a series of establishments. That is why the thought and planning process for the prototype must be highly detailed, systematic and well thought out, leading to a comprehensive concept that can be replicated at a reasonable cost. For example, the menu should include fully tested and standardized recipes that can be adapted to different markets, a logo should anticipate applicable uses, and management systems must be created for multi-unit management.

I. Concept Development

Preliminary meeting . . .

The first step in planning a prototype is to bring together the owner/developer and those professionals who will be involved in designing the restaurant, such as a foodservice management consultant, a food facilities (kitchen) designer, an interior designer, an architectural/engineering firm, a market/feasibility consultant and an advertising firm. The purpose of the meeting is to make preliminary concept decisions. Specifically, the meeting should

- develop a timetable for the project
- assign responsibilities to team members, with one person acting as the project manager to oversee and monitor overall progress,
- discuss the concept's perceived market and future growth prospects and
- determine some specifics, such as the type of structure (freestanding or part of a building) and the menu.

Market and feasibility study . . .

Next comes an in-depth look at the potential market and the ability of that market to financially support the type of menu offered at the prices determined. Such research may include a survey of residences and businesses in the potential market as well as competitive facilities and/or concepts. It also will consider specific area-related costs, such as labor and taxes.

Conceptual program . . .

The results of the preliminary meeting and the market and feasibility study form the basis for the conceptual program, which becomes the working blueprint for the project. The program should outline preliminary spatial allocations, menu ideas, style of service and interior design elements. The document should be reviewed by all team members.

Design development . . .

The design program expands upon the conceptual program with such details as operational requirements, needed storage space, patron traffic flow, quality of equipment and furnishings, food handling requirements and special equipment needs.

It leads into four additional programming steps:

- **Environmental design.** Sample boards and design sketches should be developed to allow evaluation of alternate approaches in the use of color, materials, lighting and other design components.
- **Graphics development.** The all-important logotype and restaurant name must be developed as well as supporting uses of the logo and other graphics in such things as menu boards, napkins, disposable cups, promotional materials and interior signage.
- **Foodservice schematics.** Space utilization schematic layouts should be developed to include the proposed functional relationships of all food areas from storage through production and service areas. These layouts are used later when considering equipment layouts.
- **Architectural/engineering projections.** Electrical, mechanical and structural requirements must be considered, such as requirements for water, electricity and sewage handling. Although these requirements are developed for use in the prototype unit, they must be designed to accommodate a multi-unit expansion program.

Management development . . .

The management development program details management controls, potential food purchasing procedures, desired food and operating cost figures and preliminary personnel requirements. Specific elements of the program include

- **a marketing plan and schedule.** A comprehensive marketing plan should include pre-opening activi-

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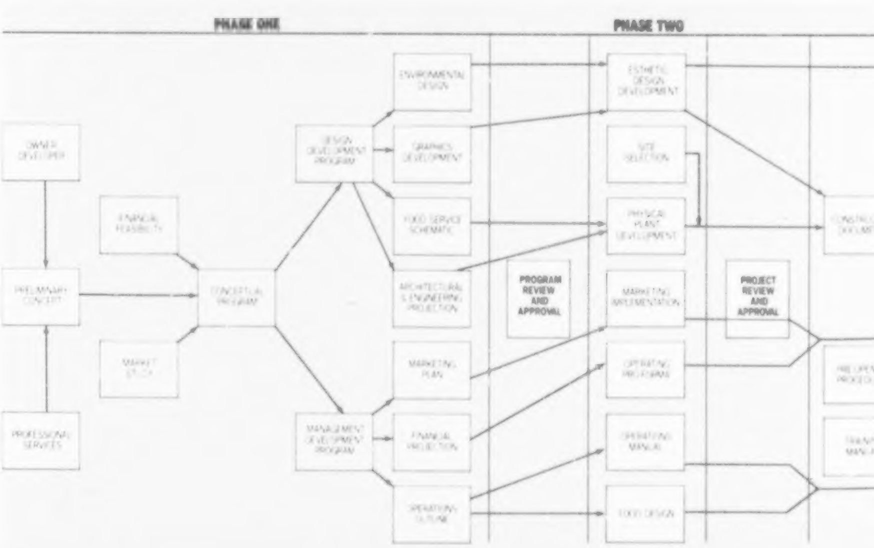
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PHASE TWO
OWNER DEVELOPER
FINANCIAL FEASIBILITY
PRELIMINARY CONCEPT
MARKET STUDY
PROFESSIONAL SERVICES
CONCEPTUAL PROGRAM
DESIGN DEVELOPMENT PROGRAM
MANAGEMENT DEVELOPMENT PROGRAM
ENVIRONMENTAL DESIGN
GRAPHICS DEVELOPMENT
FOOD SERVICE SCHEMATIC
ARCHITECTURAL & ENGINEERING PROJECTION
MARKETING PLAN
FINANCIAL PROJECTION
OPERATIONS OUTLINE
PROGRAM REVIEW AND APPROVAL
ESTHETIC DESIGN DEVELOPMENT
SITE SELECTION
PHYSICAL PLANT DEVELOPMENT
MARKETING IMPLEMENTATION
OPERATING PROGRAM
OPERATIONS MANUAL
FOOD DESIGN
PROJECT REVIEW AND APPROVAL

J.M. (Woody) Woodburn is a vice president and Rohit Bhayana is an associate of MDR Associates and the Food Design Workshop in Fairfax, Virginia, a professional hospitality management consulting firm, specializing in restaurant and menu development and kitchen design.

nt Prototype

ties, startup activities and activities once the operation is off and running.

- **financial projections.** The financial projections grow out of the feasibility study. They should include capital requirements, a budget and profit projections for both the prototype unit and future expansion requirements.
- **an operations outline.** This is the final component of the first phase of the prototype planning process. The outline should cover all facets of the operation that may affect the eventual design, including food purchasing, receiving and storage, sanitation requirements, operating hours, meals served and the number of employees needed to effectively operate the unit.

II. Operations and Design Development

Phase two involves the actual development of the design and a refinement of operating details. It includes

1) **aesthetic design development,** including
    - interior floor and seating plans
    - design sketches, especially of critical public areas
    - furniture, color and material boards of all critical areas
    - preliminary budgets for furnishings and fixtures and
    - final design development of all graphic materials, including name, logos, signage and printed materials.
2) **finalized site selection.**
3) **physical plant development,** such as kitchen drawings, equipment brochures and utility schedules that define the restaurant's physical arrangement.
4) **implementation of marketing plan.**
5) **operating pro forma** which estimates the restaurant's first year operating performance. This requires such information as the number of covers served during each meal period, the average check and expected expenses.
6) **operations manual.** All operating procedures and policies should be documented in a manual, which can provide a comprehensive, consistent source of reference. It should define authority and the distribution of responsibility, eliminate the necessity of repeating orders and directives, reduce employee training time and ensure continuity of management. Some of the areas which need to be covered in the manual include
    - job descriptions
    - personnel policies and procedures
    - production and service techniques and
    - control systems, including payroll and internal controls.
7) **food design.** The food design step consists of menu development and pricing, recipe testing, standardization and costing. Important factors to consider are
    - ease of preparation
    - a workable recipe format
    - maintaining an acceptable and specified raw cost of goods percentage
    - efficient use of equipment and physical facilities
    - control of waste and spoilage and
    - minimizing management involvement in food preparation.

This ends the second phase of the prototype planning process. Hold a project review and approval meeting at this point because the largest portion of the project expense follows.

III. Construction and Implementation

At this point construction begins, based on the architectural/engineering drawings and interior design plans.

The architectural/engineering drawings detail the electrical, mechanical and structural requirements of the building as well as landscaping and civic engineering plans.

The interior design drawings include: final floor plans, surface characteristics and materials, design details of all special fixed interior-architectural elements, final reflected ceiling plans, schematic lighting plans and electrical outlet plans to be incorporated into the architectural plans, color and material plans as well as precise specifications of all furniture, furnishings and equipment.

The facilities design elements consist of locating all building requirements to accommodate the equipment, plumbing/electrical connection plans and other miscellaneous drawings, such as exhaust hood, refrigeration and/or utility distribution system drawings.

Contractor selection . . .

Depending on the project, the construction documents may be issued for competitive bid. The bids would then be evaluated and reviewed resulting in the selection of a qualified contractor for the project.

Pre-opening procedures . . .

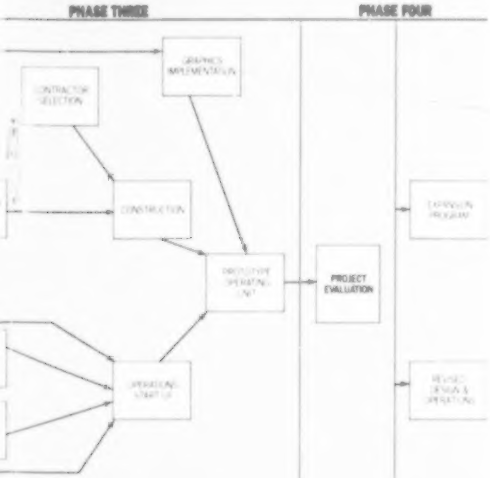
At this time, a pre-opening plan should be developed to include a pre-opening schedule with a timetable of events and assigned responsibilities. Arrangements must also be made for personnel hiring, based on the staffing schedule previously prepared. A training program should be finalized and a training manual should be prepared with both instructor guides and employee workbooks.

IV. Expansion Program

Phased, controlled prototype development will lead to a successful, well thought-out restaurant concept package, which is adaptable to various markets.

However, expansion into succeeding restaurants should not be rushed. It should be based on financial resources, percentage markets, specific sites and availability of corporate manpower to monitor growth. ❑

lopment



Bye Bye Plastics, Hello Natural

Fast Fo

Psst . . . there's a change afoot in the fast food look. Plastics, hard seats and bright yellows, reds and oranges are becoming a part of fast food history. A new era in fast food design has begun—a look that is subtle, natural, comfortable and much more upscale.

The menu is familiar, but the look is definitely new. The colors are subtle—sky blue, white and black—not the traditional bright yellows and reds. Inviting blue/grey banquettes and natural ash chairs dot the airy two-level dining area, replacing the usual plastic seats. A blue, white and black geometric tile floor adds a dramatic flourish. And for a dazzling finish, ribbons of cool blue neon snake through steel counters and around the shiny ceiling.

Is this a new upbeat restaurant concept? Upbeat, yes. New concept, not exactly. The golden arches—small and outlined in gold leaf—reveal the restaurant's familiar, but somewhat unexpected, identity.

Scheduled to open this winter in Rockefeller Center, New York, NY, this new 250-seat McDonald's typifies the direction of design in the fast food sector. Set aside are "assembly-line" looks. In their place are decors that reflect the style and direction of designs popular in the full service sector.

"People are paying more and more attention to design," maintains Ellen Christophe, president of the Ellen Christophe and Associates design firm in Venice, CA. "Operators want something catchy that will give them an edge over their competitors." Design seems to be an important part of that something extra. According to Larry Fournier, director of facilities planning for Rax, the 510-unit Columbus, OH-based chain, "Design is probably more important today than it ever has been because people are not only carefully choosing the menu items they want but also the feeling they get from an establishment."

Consequently, his company—and other fast food operations—are trying to ensure a distinctive look for their restaurants.

A Southwestern decor, featuring arched doorways and complementary accessories, is one of Kentucky Fried Chicken's new design options.

- Rax has moved away from the atrium design that has been the chain's hallmark since 1981 because the design has been absorbed by other fast food operators. In its place is a new homey cafe atmosphere, enhanced by distinctive awnings, graphics, larger windows and a more subdued color combination. Plum or maroon and beige are replacing the earth tones that complemented the natural ambiance developed around the atriums.
- At Burger King the change has been "toward an upscale, bright and airy look with a warm, eclectic Old

od Design

by Cecelia Niepold

English pub atmosphere," explains Jim McMillan, Burger King's manager of design. The 4,527 unit chain, based in Miami, FL, spent two years studying customer preferences. The extensive survey showed that consumers wanted more wood, light colors, brass accents, etched and beveled glass, carpeting and less fluorescent lighting—changes that have been incorporated into its redesign package.

- At Bojangles (330 units, Charlotte, NC) a new decor package has been designed to complement the broadened menu, which now includes salads and sandwiches. The new look reflects the company's intention to appeal to a more sophisticated audience. Subdued burgundy, spruce green, mandarin orange and parchment-colored accents highlight the new interior, which features carpeting, oak tables and chairs, larger windows and an acoustical tile ceiling.

The new look—up close . . .

As these examples suggest, there has been a move in the fast food sector to create more upscale environments. Accents are becoming more natural, textured and sophisticated. Although the mixture of components can vary markedly, certain design elements are quickly becoming part of today's updated look.

Color usage, for example has become more subtle. "Most people want to get away from the idea of fast food, fast colors," explains Charles Morris Mount, president of the Charles Morris Mount design firm in New York, NY. Although quick service remains a priority, operators are no longer focusing on vibrant reds and oranges to encourage turnover. "We are not putting red wallpaper on the walls," laughs Burger King's Jim McMillan. "We don't want people to sit all day, but we do want them to eat, feel comfortable and then leave."

In general, operators are choosing more subdued color palettes, such as blues, mauves and grays. Rax, for instance, chose its plum motif because the color suggests an upscale restaurant, not a "typical" fast food eatery.

Chairs and tables also have become more inviting. Operators are replacing hard plastic seats with more comfortable, natural-looking wooden chairs. To add an upbeat touch, chairs are often accented with patterned vinyl-covered upholstery and tables are brightened with fabric insets covered with protective materials for easy maintenance.

In addition to comfort, designers are focusing on seating efficiency. To prevent under-utilized tables, four-tops are being divided into two tables separated by a small open space. Freestanding chairs, rather than permanent, "bolted-down" seating, create additional flexibility. Stools and counters are also being used to accommodate small parties and single diners. For instance, a McDonald's in Vineland, NJ, contains oval counters surrounded by freestanding wooden chairs—comfortable seating for both singles and larger parties.

Lighting is drawing more attention. Operators are toning down bright fluorescent lights and opting for softer effects. Subtle, less harsh lights create a more inviting ambiance and are more complimentary to food and skin tones. Jazzy splashes of neon, marquee-like lights and colored spotlights focused on greenery add dramatic touches.

Oval counters surrounded by freestanding wooden chairs provide comfortable seating for both singles and larger parties at a McDonald's in Vineland, NJ.

Whenever possible, designers are opting for natural lighting or are installing big bright windows, skylights and greenhouses to provide a feeling of spaciousness. These designs are popular with customers. According to a study by Hamill & McKinney Architects & Engineers, Inc. (Lexington, KY), more than three-quarters of all restaurant patrons prefer a window seat.

Floors are being used more creatively as well. Carpeting has become popular, not only because it suggests a comfortable environment but also because it helps reduce noise levels.

Three creative design adaptations

Snazzy and sophisticated, these three design treatments illustrate some of the creativity occurring in fast food design.

Historic adaptation. Mike Culver, project director for the 26-unit Wendy's of New Orleans company, is doing his best to refute customers' perception that fast food restaurants are just "plastic square boxes." His method: creating fast food decors that mirror their neighborhood's historic ambiance.

For instance, he recently turned a 160-year-old townhome near New Orleans' French Quarter into a modern 300-seat eatery that reflects much of the building's original architectural charm. The era's central garden motif is echoed by the 300-square-foot floral-patterned stained glass ceiling. Wrought iron fixtures, authentic brick accents, natural-looking wood tables and lots of greenery add to the ambiance as does a second-floor balcony that overlooks the spacious interior.

Market adaptation. Brad Elias, coprincipal of Hochheiser Elias Design Group, Inc. in New York, NY, didn't follow any established parameters when designing a McDonald's for the local market in Wrightstown, NJ. Because of its location between two military bases, the restaurant's clientele is primarily composed of young military personnel. Elias reasons, "Why not go for something they would look for when they go out to be entertained?"

Consequently, the design suggests a lively disco ambiance. For instance, a diamond-shaped gazebo (with seating inside) is the interior centerpiece. Bright salmon neon outlines the top of the deep blue structure, adding a striking, unexpected dazzle. Large "cut out" windows add to the geometric open design. Abstract columns topped with triangular capitals illuminate the corners and are emphasized by the slick blue and white vinyl panel wall coverings.

Because many children live on the bases, the eatery also includes a Ronald's Room in the back of the restaurant. The central focus is a mural containing Ronald McDonald sliding down a multi-colored neon rainbow.

Space adaptation. Ellen Christophe, president of Ellen Christophe and Associates in Venice, CA, has incorporated open preparation areas in her fast food designs. "Open kitchens are common in a lot of high-end restaurants but not in many fast food operations," she maintains. "So we decided to try it."

Singapore Satay, a new Indonesian fast food concept in Los Angeles, CA, features an open kitchen with a difference. A curving wall, dividing the kitchen from the ordering area, encases an eight-foot long window that allows customers to see the food preparation area. The unusual window design serves two functions. It allows the public to see the clean, simple preparation techniques, and it makes the small 1,100-square-foot space seem larger.

A floral-patterned stained glass ceiling and wrought iron fixtures highlight Wendy's historic adaptation in New Orleans, LA.

To add pizazz, many operators are turning away from "institutional-looking" solid tones and are choosing subtle patterns to mirror their store's general decor. All carpets are chosen with durability in mind, of course, to withstand the wear and tear of high traffic and strong cleaning materials.

Dramatic tile combinations are also being used to create more up-to-date looks as well as to subliminally direct customer traffic.

Brass and wood accents add to Burger King's new airy, upscale look.

Efficiency plus aesthetics . . .

Effective space plans have also become a top priority in design packages. Besides adding ambiance, design elements are also being used creatively to boost operational efficiency. For instance, Bojangles replaced its tile walkways with carpet not only to produce a more upscale look but also to create a more workable, open seating area. Similarly, bulky "hostess trash units" are being replaced by smaller self-service containers to add more space as well as to increase dining room efficiency.

Design elements should help, not hinder, productivity. "Know what you want functionally before you decide on specific aesthetics," cautions Ron Conizares, owner of Le Cafe Restaurant Group, a three-unit salad, sandwich and bakery fast food operation in New York, NY. "I literally laid pieces of paper out on the floor to see how the space would work," he says.

Building efficiency. Another chain, the 1,550 unit Atlanta, GA-based Arby's, has also coordinated operating and aesthetic design changes. "We wanted to change our image. But while we were doing that we looked at the operating end and started by standardizing our kitchen design," says Ira Hermann, senior vice president.

Besides boosting kitchen efficiency, the company also wanted to develop a design that could easily be adapted to different restaurant sizes. Consequently, its new Series 2000 prototype features three modular units with seating for 44, 80 and 106—adding valuable flexibility while still maintaining the cost-effectiveness of a uniform kitchen design.

Variations are encouraged . . .

Perhaps as significant as the changes themselves are the departures from the prototype design. Although many chains have tried to develop a look that works with customers nationwide, many are no longer demanding that all units follow the prototype faithfully. In fact, chains are encouraging variation so that their stores do not look like they have been stamped from the same mold. The goal is for a unit's decor to be compatible with the look and tastes of the surrounding community.

Often variations take the form of personalized accents, such as regional or local artwork of area sports teams and familiar landmarks. "Customers feel more comfortable if they see something they know," explains Earl McKinney, co-principal of Hamill & McKinney Architects and Engineers, Inc. "They are more interested in pictures of their local community than artifacts from other places."

In some cases the variations are even more substantial, including architectural changes from unit to unit. For example, Kentucky Fried Chicken (6,300 units; Louisville, KY) opted for diversity from the start. Its new "Colonel's Classic" design program includes a number of options, each geared toward a different market. There is a Southwestern-flavored package that includes Moorish-looking tiles, arched doorways and ceiling fans. More traditional Southern version features brass, pine and "Victorian gingerbread" fixtures with cranberry and light blue accents. Another more jazzy "urban" decor has touches of bright orange neon, counters, stools and upbeat pendant lighting.

Although each look is different, the KFC image is still clearly communicated through familiar signage. "We wanted to be a good neighbor, to be compatible with an individual community's looks—without losing our image," says Billie Brown, manager of media relations.

Even within the same city, design can be used to adapt to different customer markets. Papaya King, which has been serving frankfurters and natural fruit drinks to New Yorkers for 53 years, recently expanded to a fourth location in Manhattan. President Peter Poulos wanted an updated look to appeal to the new store's "Bloomingdale's" clientele.

Consequently, the new unit, while retaining the concept's tropical flavor, has a sophisticated twist. Neon-outlined fruit (rather than the original cardboard signs) identify the tropical fruit drink options and jungle-like wallpaper brightens the counters, replacing the bamboo woodwork of the other shops. The whole look is fresh, clean and contemporary.

Are changes paying off? . . .

Are the changes paying off for fast food operators? Apparently so. Some franchises report sales increases range from six percent to as high as 18 percent.

Even when the effects cannot be measured in dollars and cents, one thing is certain, the new designs in the fast food industry have given this segment a more contemporary—and inviting—look. ☐

THE PROBLEM AND PROMISE OF GLASS

by Bradley Davids

In the past few years a number of technical innovations in glass and window design have made windows more energy efficient, reducing energy costs and increasing comfort levels in buildings.

Why glass . . .

In addition to satisfying man's psychological need to see outside, the use of glass in a building allows natural light to come inside, often reducing the need for extensive artificial illumination. Current studies indicate that the increased use of artificial lighting generates additional heat that taxes a building's cooling system, increases the lighting bill and also reduces productivity in offices deprived of natural light.

For smaller buildings where heating in winter is the primary energy problem, the use of glass can assist in heating the building by capturing the sun's energy. During moderate weather, the opening of operable windows provides ventilation and cooling.

Finally, for some retail operations, especially fast food outlets on the street level of commercial buildings, large amounts of glass allow potential customers on the street to easily see that the establishment is.

Glass problems and traditional solutions . . .

So, if glass is so desirable, why are windows often such an energy problem? The unfortunate reality is that traditional glass performs poorly in weather requiring inside heating or cooling.

The most easily recognized shortcoming of glass is its propensity for heat loss in winter. A single pane of glass (¼″ thick is typical of most commercial building windows) creates energy problems when outside temperatures drop.

The colder the outside air, the colder the temperature of the window's inside surface. The colder the inside surface of the glass, the greater the temperature difference in relation to

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Bradley Davids is director of marketing for Southwall Technologies in Palo Alto, CA.

The historic 18th-century Inn at Weathersfield in Weathersfield, VT, turned to Heat Mirror transparent insulation not only to increase guest comfort and slash its energy bills but also to preserve the historic authenticity of the structure.

the air temperature of the room. The greater the temperature differences, the more quickly heat is lost through the glass, and the harder a building's heating system must work to maintain the room's air temperature at what building occupants perceive to be a comfortable level. The government has estimated that the equivalent of 1.7 billion barrels of oil are wasted every year as energy lost through windows.

In some buildings a second piece of glass called a storm window is attached for the winter season. Of course, attaching and then removing storm windows is not practical for large buildings.

Insulating glass . . .

The best traditional solution to heat loss through single pane glass has been sealed insulating glass, commonly called double pane, which was patented in 1865. In a double pane window, two pieces of glass are fitted together by the manufacturer (for optimal reduction of heat transfer, the air space between the two panes is approximately ½ inch). The glass is held together with an airtight seal that prevents moisture from entering the air space between the two panes.

Using the familiar "R scale" for measuring heat loss (R means resistance to heat flow: an insulated wall typically is R-11), a sealed double pane window is approximately R-2, compared to R-1 for a single pane of glass. Doubling the R-value cuts heat transfer by 50 percent, so the double pane window has half the heat loss in winter of the single pane option.

In buildings in which even more energy efficiency is desired, architects have called for triple pane glass, or three pieces of glass sealed together, separated by two air spaces. (This provides about an R-3 level of insulation, 50 percent better than double pane glass.) In double and triple pane glass, the air spaces between the panes reduce conductive heat loss. Improvements in metal window frames also reduce this conductive loss, especially thermally broken metal frames with non-conductive separation between the inside and outside of the window.

However, it is impractical to utilize more than three panes of glass in a window. The greater the number of panes, the greater the reduction of visible light and the greater the weight of the window. Even three panes is considered too heavy for numerous buildings, making the sealed double pane window the standard option for energy-efficient buildings.

Drafts and condensation . . .

But double and even triple pane glass do not solve window energy problems. Extremely cold temperatures outside can cause the inner pane of a double pane window to remain much colder than the air temperature of the room. The interaction between warmer air and colder glass creates the phenomenon commonly called a "draft." Drafts are not usually the result of holes in the window but are caused by cold air from the window area falling toward the floor as warmer room air rises.

In restaurants, guests with tables close to windows are directly affected by drafts. One solution has been to install heaters below windows, with the heated air warming the glass to reduce the draft. Unfortunately, not only is much of the extra heat lost through the glass, but the perimeter window heater itself often takes up valuable floor space.

At times, double pane glass also fails to eliminate the problem of condensation forming on the room side of the glass. Condensation occurs when the temperature of the glass is lower than the "dew point" temperature of the air, a common situation in pool enclosures, bathrooms and computer rooms.

Shading and cooling . . .

If cold temperatures are tough on double and even triple pane glass, consider the air conditioning problems of large commercial buildings. In addition to the heat from the sun, large buildings generate internal heat from elevators, computers, artificial lighting and the thousands of occupants within.

Ironically, it is not unusual on a

Large amounts of glass allow potential customers on the street to easily see that the establishment is open for business. That is why the Nation's Restaurant chain in the San Francisco, CA, suburbs has turned to invisible window insulation.

cold but sunny January day in Chicago, IL, for a high-rise building's air conditioning system to be cooling the building's south side while the heating system is warming the building's north side.

Clear double and triple pane glass do not offer much of a solution to the problem of too much heat from the sun. The answer has been for architects to specify dark tinted glass in newly constructed buildings or for building owners to retrofit the windows of existing structures with dark "solar control" films. Large commercial buildings, especially in southern climates like Los Angeles, CA, Houston, TX, and Atlanta, GA, use highly reflective mirrored glass to shade the building from excessive solar gain and thereby reduce the cooling load on the building's air conditioning system.

But what happens when buildings are equipped with tinted or mirrored glass? Darkened glass decreases visibility from the outside and reduces the amount of natural light coming in. In some high-rise commercial buildings in the South, offices are so dark that much more artificial lighting is necessary than if clear glass had been selected. Increased artificial illumination, of course, means higher lighting bills, the generation of more heat and the potential for reduced worker productivity due to the psychological need for natural light.

The "perfect window" . . .

Despite its drawbacks, glass's architectural potential is too great to ignore. Technological advances in glass and window design have, in the past few years, taken us beyond the energy and performance limitations of double and triple pane glass toward the "perfect window." In short, a perfect window is one that contributes to a net energy gain for the building, not a net energy loss.

A look at innovations . . .

The window and glass industry is working hard to develop the perfect window. Some recent innovations include

- **increasing solar gain.** For some small commercial buildings, helping the sun heat the structure can be a window's biggest job. Maintaining high insulation performance without significant loss of solar heat gain is the objective of Sun Gain film by the 3M Corporation. Sun Gain is an invisible coating deposited on a colorless film that is suspended between two sealed panes of glass. The film transmits up to 96 percent of the sun's energy compared to 90 percent for clear glass. Sun Gain insulating units cost more than triple pane but provide the insulation value (R-3) of a triple pane window with only the weight of double pane glass.

Sun Gain windows are most cost-effective in sunny climates on the south side of "passive solar" buildings because these buildings are physically designed to take maximum advantage of solar gain.

- **increasing insulation.** Though only a few buildings in a relatively few climates are ideal candidates for passive solar heating, all buildings can benefit from windows that can insulate more effectively.

Heat Mirror transparent window insulation, manufactured by Southwall Technologies, Inc., Palo Alto, CA, was designed for maximum insulation capability in a clear window. Developed in part at the Massachusetts Institute of Technology (MIT) in Boston, MA, with $1 million in funds from the Department of Energy, Heat Mirror is an invisible, heat-reflective coating on a colorless polyester film suspended equidistantly between the two panes of a double pane window. It reflects heat and transmits light.

But because Heat Mirror is mounted inside the air space, Heat Mirror reduces heat loss not only by heat *reflection* but also by utilizing the two air spaces to reduce heat *conduction*. A window with Heat Mirror has an R-value of 4.3, approximately 140 percent more energy-efficient than double pane glass. Because of the coated polyester mounted inside the two panes, Heat Mirror-equipped glass is more sound resistant than triple pane glass and more resistant to breakage.

Competing with Heat Mirror is the recently introduced low emissivity glass (sometimes called "low-e, high-t"). Low emissivity glazing is double pane glass that has been treated with a colorless, invisible coating only a few hundred atoms thick. Emissivity refers to the ability of a substance to emit heat. Glass with a low emissivity coating will transmit high levels of light but will reflect heat. These windows have an R-level of 3. They cost as much as 22 percent more than conventional double pane windows but provide the insulation capability of triple pane windows but weigh only as much as double pane windows.

Toward the perfect window . . .

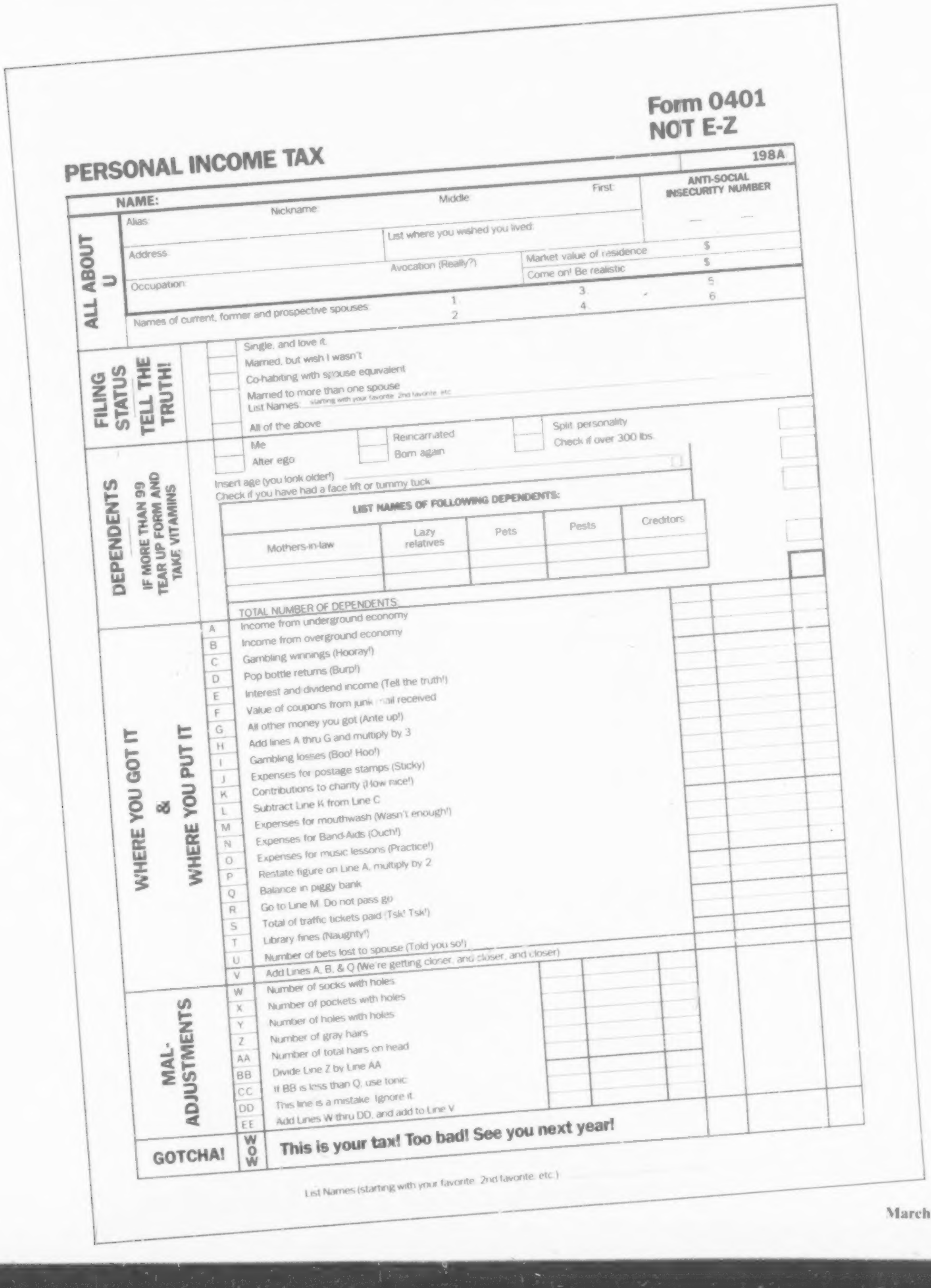
Improved colorless, invisible coatings, perhaps deposited on multiple layers of suspended film inside sealed glass, may increase the energy efficiency of windows in the future to the insulation rating of a typical solid wall. ❑

Fisher's Law #70

Taxing the taxers

Tax time is a taxing time for many people. In the spirit of humble irreverence, I thought you might enjoy the following.

Fisher's Law #70. You may want to pay your taxes with a smile, but I can tell you that they still want ca[illegible].



Form 0401
NOT E-Z

PERSONAL INCOME TAX

198A

NAME: Nickname: Middle: First:

ANTI-SOCIAL INSECURITY NUMBER — —

ALL ABOUT U

Alias:
List where you wished you lived:
Address:
Market value of residence $
Avocation (Really?)
Come on! Be realistic $
Occupation:
Names of current, former and prospective spouses: 1. 2. 3. 4. 5. 6.

FILING STATUS — TELL THE TRUTH!

☐ Single, and love it.
☐ Married, but wish I wasn't
☐ Co-habiting with spouse equivalent
☐ Married to more than one spouse
List Names: starting with your favorite, 2nd favorite, etc.
☐ All of the above

DEPENDENTS — IF MORE THAN 99 TEAR UP FORM AND TAKE VITAMINS

☐ Me
☐ Alter ego
☐ Reincarnated
☐ Born again
☐ Split personality
☐ Check if over 300 lbs.
Insert age (you look older!)
Check if you have had a face lift or tummy tuck ☐

LIST NAMES OF FOLLOWING DEPENDENTS:

Mothers-in-law	Lazy relatives	Pets	Pests	Creditors

TOTAL NUMBER OF DEPENDENTS

WHERE YOU GOT IT & WHERE YOU PUT IT

A Income from underground economy
B Income from overground economy
C Gambling winnings (Hooray!)
D Pop bottle returns (Burp!)
E Interest and dividend income (Tell the truth!)
F Value of coupons from junk mail received
G All other money you got (Ante up!)
H Add lines A thru G and multiply by 3
I Gambling losses (Boo! Hoo!)
J Expenses for postage stamps (Sticky)
K Contributions to charity (How nice!)
L Subtract Line K from Line C
M Expenses for mouthwash (Wasn't enough!)
N Expenses for Band-Aids (Ouch!)
O Expenses for music lessons (Practice!)
P Restate figure on Line A, multiply by 2
Q Balance in piggy bank
R Go to Line M. Do not pass go
S Total of traffic tickets paid (Tsk! Tsk!)
T Library fines (Naughty!)
U Number of bets lost to spouse (Told you so!)
V Add Lines A, B, & Q (We're getting closer, and closer, and closer)

MAL-ADJUSTMENTS

W Number of socks with holes
X Number of pockets with holes
Y Number of holes with holes
Z Number of gray hairs
AA Number of total hairs on head
BB Divide Line Z by Line AA
CC If BB is less than Q, use tonic
DD This line is a mistake. Ignore it.
EE Add Lines W thru DD, and add to Line V

GOTCHA! WOW **This is your tax! Too bad! See you next year!**

List Names (starting with your favorite, 2nd favorite, etc.)

Innovation thrusts 1984 franchise restaurant sales to $43.4 billion

This article takes a look at what is going on behind the scenes in the franchise restaurant industry and summarizes information from the U.S. Department of Commerce study, Franchising in the Economy, 1984–1986*.

Franchise restaurants are continuously refining, revising and expanding their concepts to meet the needs of today's restaurant patron. Largely as a result of this dynamic approach, the franchise restaurant segment has become one of the largest sectors in the foodservice industry. In 1984, franchise restaurant sales, both company-owned and franchisee-owned, totaled $43.4 billion, representing more than 40 percent of total eating place sales for that year. By comparison, in 1970 franchise restaurant sales accounted for half that proportion, 21.3 percent.

The total number of franchise outlets has also skyrocketed, more than doubling between 1970 and 1984—from 32,584 units to 70,495 units. As competition for traditional sites grows, operators are exploring various alternatives. Some are expanding into non-traditional sites, such as hospitals, office buildings, department stores and schools. Others, particularly fast food operators, are piloting mobile units and home delivery to reach more customers with minimal overhead costs.

Still other companies are experimenting with drive-thru service, meeting the needs of the on-the-go customer, with larger, double drive-thru operations and drive-thru-only units.

To tap into the take-out market, midscale restaurants are also experimenting with mini-units, and some upscale restaurants are offering take-out service. In contrast to this move toward specialization is the tendency of many franchise restaurants to expand and upscale their concepts. Much of this trend is in response to demographic shifts, such as the aging of the baby-boom generation and the increasing number of working wives and mothers.

In order to compete for the patronage of these customers, many franchise res-

Franchise restaurants: Percentage of eating place sales*

	Eating place sales**	Franchise restaurant sales**	Percentage
1970	$21.6	$4.6	21.3%
1984	$104.5	$43.4	41.5%

**NRA eating place sales figures include only establishments with payroll and do not include food contractors.*
***billions of dollars*
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986*; NRA.

**The U.S. Department of Commerce's* Franchising in the Economy, 1984–1986 *contains current information on 465 franchise restaurant companies operating 70,495 company-owned and franchisee-owned units across the U.S.*

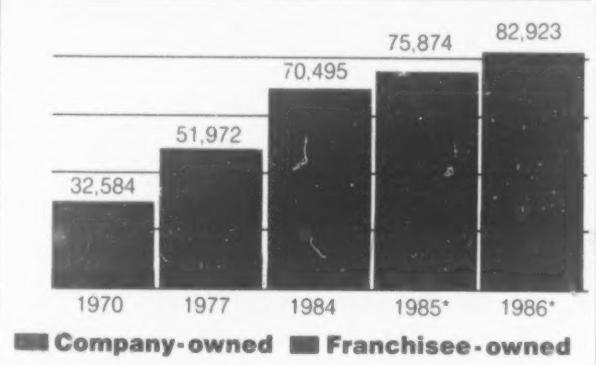
Sales and unit figures for 1984 and projections for 1985 and 1986 reported here are representative only of these 465 franchise restaurant firms, and do not include any newly established firms that may have begun franchising in 1984 or any firms that have since gone out of business or abandoned the franchise system.

The survey, the only one of its kind in the U.S., was completed by 1,942 franchisors representing an estimated 99 percent of total franchise sales and establishments in the U.S. The results were compiled by Andrew Kostecka, Finance and Management Industries Division, Office of Service Industries.

Highlights

- **The franchise restaurant industry continues to do well. In 1984, 70,495 units posted $43.4 billion in sales.**
- **Restaurant franchising accounted for an impressive 41.5 percent of total eating place sales in 1984.**
- **Hamburger franchise restaurants continued to dominate, representing more than half (50.7 percent) of total franchise restaurant sales and 41.6 percent of franchise restaurant units.**
- **Mexican franchise restaurants experienced the strongest sales gain in 1984, recording an impressive 25.6 percent increase. This segment, though growing rapidly, represented only 4.9 percent of total franchise restaurant sales in 1984.**
- **America's sweet tooth propelled sales at donut, ice cream and yogurt stores to more than $1.7 billion in 1984.**
- **There were 5,990 international franchise units in operation in 1984. Canada (1,591 units) and Japan (1,490 establishments) had the highest concentration of U.S. franchise units.**

Franchise restaurant units



*Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

taurants are offering eclectic menus with selections ranging from American regional cuisine to ethnic favorites such as Asian, Mexican and Italian specialties. They are also adding new menu items to attract customers during different meal periods. For example, pancake houses are actively seeking the lunch and dinner trade, while hamburger, chicken and pizza restaurants are tailoring their operations to include breakfast.

For the nutrition-conscious consumer, many restaurants now offer lower-calorie, reduced-sodium and low cholesterol menus. As the interest in nutrition continues to grow, many more restaurants will be offering these alternatives to their customers.

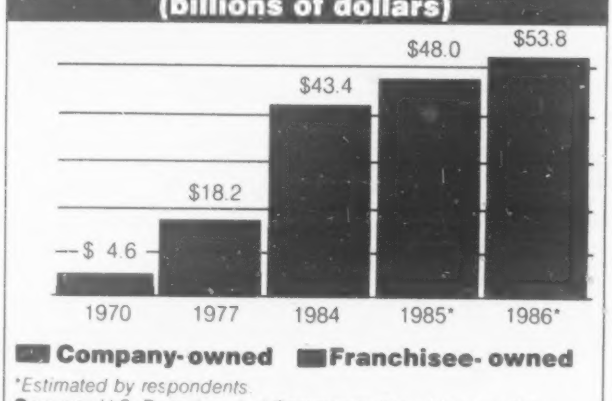
Franchise restaurants are also updating their decor with atriums, muted colors, skylights and observation cooking to appeal to a more sophisticated clientele. (See article on franchise design elsewhere in this issue.)

Promoters continue to entice customers with new products. Cents-off coupons are popular, as are meal packages, discount meals and sweepstakes.

Sales and unit growth continue to expand . . .

In 1984, franchise restaurants represented one of the largest segments in the franchising industry, capturing 8.8 percent of total franchise sales and representing 15.9 percent of all franchise establishments. Sales at franchise restaurants increased a healthy 12.2 percent in 1984 and totaled more than $43 billion. While this advance is lower than the 14.8 percent sales increase recorded in 1983, it equals 1982's sales gain. The number of franchise restaurants was also up in 1984, rising 4.4 percent. This gain is somewhat below 1983's 6.2 percent increase but exceeds 1982's 2.8 percent unit growth.

Franchise restaurant sales (billions of dollars)



*Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

An especially strong economy, low inflation and rising consumer incomes contributed to continued growth at franchise restaurants in 1984. However, a net loss in the number of firms offering franchises may have dampened growth. In 1984, 29 restaurant franchise firms either went out of business or abandoned franchising altogether, while 28 new franchise firms entered the market. The result was a net loss of franchise firms, down from 466 in 1983 to 465 in 1984.

Operators are optimistic in their forecast for future franchise restaurant performance, according to the Commerce Department survey conducted in mid-1985. Basing their estimates on sustained economic expansion, franchisors predicted a 10.5 percent sales increase for 1985 and are estimating an even stronger 12.1 percent rise in 1986.

Franchisors have a similar outlook for unit growth, estimating the number of franchise restaurants will expand 7.6 percent in 1985 and 9.3 percent in 1986. The National Restaurant Association has predicted that total eating place sales, which include franchise restaurant sales, would rise 6.7 percent in 1985 and increase 7.6 percent in 1986. (These gains have not been adjusted for inflation.)

Percent of total franchise restaurant sales by firm size (1984)

Percent of total sales

Number of units	Total sales (billion)	Percent of total sales
1001 +	$26.2	60.2%
501–1000	5.0	11.6%
151–500	6.3	14.6%
51–150	2.5	6.6%
11–150	2.6	6.1%
1–10	0.4	0.9%

Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

Company-owned units record gains . . .

The franchise restaurant sector is divided into two categories: company-owned and franchisee-owned restaurants. In 1984, company-owned units outpaced franchisee-run establishments both in sales and unit growth. Sales at company-owned franchises advanced a healthy 15.1 percent in 1984, totaling $16.4 billion. On the other hand, franchisee-owned restaurants posted a lower sales gain of 10.6 percent. Nonetheless, total sales in the franchisee-owned segment reached

Primary type of service provided by franchise restaurant firms (1984)

	Firms with self-service or drive-thru	Firms with waitstaff service
Chicken	30	3
Hamburger	101	4
Pizza	68	36
Mexican	22	14
Seafood	9	3
Pancake	0	13
Steak/full menu	17	94
Sandwich/other	47	4
Total	**294**	**171**

Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

$27.0 billion in 1984.

In 1985, however, sales increases at company-owned outlets were expected to approximate sales gains at franchisee-owned establishments—11.0 percent versus 10.2 percent, respectively. In 1986, operators project that franchisee-owned units will take the lead in sales performance by posting sales gains of 12.4 percent, compared with 11.6 percent for company-owned franchise establishments.

In the area of unit expansion, company-owned restaurants also outperformed franchisee-owned restaurants in 1984.The company-owned sector recorded a 5.3 percent increase in units, compared with a lower 3.9 percent advance in franchisee-owned stores. However, franchisee-owned units continued to outnumber company-owned outlets by a ratio of two to one.

Unit expansion in both segments was projected to pick up in 1985 and 1986, according to the franchisors surveyed for this study. The number of company-owned units was estimated to increase 7.1 percent in 1985 and 8.5 percent in 1986. Franchisee-owned stores were predicted to experience comparable unit growth of 7.9 percent and 9.7 percent in 1985 and 1986.

Large firms increase their stake . . .

Large franchise firms (those with more than 1,000 establishments) took a bigger slice of the franchise restaurant pie in 1984. Sales at these multi-unit firms reached $26.2 billion in 1984—accounting for 60.2 percent of total franchise restaurant sales, up from 57.6 percent in 1983. A strong 17.5 percent increase in sales contributed to the sector's larger share of the franchise market.

The number of franchise firms with more than 1,000 units (13) has not changed since 1981, but these firms are aggressively expanding their total units. In 1984, this group represented 53.2 percent of all franchise restaurants, up from 51.9 percent in 1983.

In 1984, medium and small companies felt the lingering effects of the weak economy in 1982 and 1983, posting lower sales and fewer units.

Sales for medium-size firms (501 to 1,000 units) reached $5.0 billion in 1984, down 1.1 percent from the prior year. Consequently, this group's share of total franchise restaurant sales dipped from 13.1 percent in 1983 to 11.6 percent in 1984. The number of medium-size firms reached 16 in 1984, up one from 1983. The total number of units for this group reached 10,578, a 3.3 percent advance over 1983. However, due to more rapid expansion in other sectors, this segment's share of total franchise restaurant units dropped to 15.0 percent from 15.2 percent in 1983.

Franchise firms that operate between 151 and 500 units also lost market share in 1984. Although sales advanced a healthy 7.1 percent, reaching $6.3 billion, this group's share of overall franchise restaurant sales dropped from 15.3 percent to 14.6 percent. Four firms in this segment left the market in 1984, reducing the total number of firms to 41. The number of units operated by firms in this group totaled 11,091—a 6.2 percent decline from the prior year. As a result, this segment's share of total franchise restaurant outlets fell from 17.5 percent to 15.7 percent in 1984.

While large franchise firms represent the lion's share of the franchise restaurant market, a significant proportion of all franchise companies operate 50 or fewer units. In 1984, a phenomenal 70.1 percent of all franchise firms operated between one and 50 units, an indication that the franchise sector is still an entrepreneurial stronghold. However, these firms did lose some ground in 1984. In 1983, 71.5 percent of all franchise companies operated 50 or fewer units.

One reason for this decline may be that some of the smaller firms dropped out of the market in response to intensified competition and sluggish sales. In fact, there were six fewer firms operating one to 10 units in 1984 and one less company operating 11 to 50 units. On the other hand, the number of franchise firms operating 51 to 150 restaurants reached 69 in 1984, an increase of nine units—and the highest total to date for this segment.

Self-service and drive-thru popular . . .

Franchise restaurants offer many dining alternatives, ranging from fast, efficient self-service and drive-thru options to more leisurely, individualized waiter and waitress service. In 1984, 294 firms, representing six out of 10 franchise companies, operated units classified as self-service or drive-thru operations. This represents a substantial 16.7 percent increase over 1979.

Percentage of franchise restaurant sales by restaurant type (1984)

Restaurant type	Sales (billions)	Percent of total
Chicken	$3.9	9.0%
Hamburger	$22.0	50.7%
Pizza	$4.9	11.3%
Mexican	$2.1	4.8%
Seafood	$1.1	2.5%
Pancake	$1.0	2.3%
Steak/full menu	$7.8	18.0%
Sandwich/other	$0.6	1.4%

Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

Hamburger restaurants represented more than one-third (34.3 percent) of the firms offering self-service in 1984. Pizza firms accounted for 23.1 percent, followed by sandwich (16.0 percent) and chicken (10.2 percent).

The number of franchise firms that featured waiter or waitress service totaled 171 in 1984, and accounted for 38.2 percent of all franchise restaurant firms. Leading the way in this category were steak/full-menu franchises, which represented more than half (55.0 percent) of the restaurants providing tableservice.

Franchise restaurant employment jumps . . .

Franchise restaurants continue to be the number one employer in the franchise industry; they represent more than one-third (38.5 percent) of total franchise employment. More than two million individuals, including part-time workers and working proprietors, were employed in the franchise restaurant sector in 1984. This represents a substantial 11.6 percent advance over 1983. In addition, 42.0 percent of all persons employed in eating and drinking places in the U.S. worked in franchise restaurants in 1984, an indication of the enormous economic effect this sector has on the foodservice industry.

South Atlantic region up 10.1 percent . . .

In 1984 the number of franchise units expanded in every region of the country. The South Atlantic region, which represented a significant 16.9 percent of all franchise outlets in 1984, recorded the best performance, reporting a strong 10.1 percent increase in units. Within this region, the District of Columbia posted a substantial 19.5 percent advance in franchise restaurant units. Florida, which accounts for almost one-third (31.3 percent) of all franchise restaurants in the South Atlantic states, also posted an impressive 12.6 percent gain.

The East South Central and West South Central regions were the only regions recording below average unit growth in 1984. Nonetheless, four states in these areas posted above-average unit gains: Oklahoma (up 8.6 percent); Mississippi (up 8.4 percent); Tennessee (up 5.6 percent) and Louisiana (up 4.6 percent).

Among the states, California posted the most franchise units—7,146. Other states reporting a high concentration of franchise restaurants in 1984 were Texas (5,854 units), Ohio (3,814 units) and Florida (3,742 units).

—Sallie Adams

Percentage of franchise restaurant units by restaurant type (1984)

Restaurant type	Number of units	Percent of total
Chicken	8,576	12.2%
Hamburger	29,305	41.6%
Pizza	12,705	18.0%
Mexican	3,774	5.3%
Seafood	2,320	3.3%
Pancake	1,704	2.4%
Steak/full menu	9,563	13.6%
Sandwich/other	2,548	3.6%

Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986*

An analysis of franchise restaurant types

The following spotlights the eight major franchise restaurant segments, detailing each sector's 1984 performance, current market influences and 1985 and 1986 growth expectations.

Hamburger franchises continue to dominate . . .

Hamburger, roast beef and hot dog restaurants continued to dominate the franchise restaurant industry in 1984. This segment captured half (50.7 percent) of total franchise restaurant sales and accounted for 41.6 percent of all franchise restaurant outlets.

Increased competition during 1984 kept operators on their toes. Seven new hamburger, hot dog and roast beef firms entered the market in 1984.

Many operators were busy experimenting with new concepts to increase their market share. Mobile units, home delivery and drive-thru facilities were actively pursued because they cater to the growing demand for convenience. Non-traditional sites, such as hospitals, office buildings and department stores, were also targeted as expansion opportunities.

The effects of heightened competition spilled over into the menu arena. Many hamburger franchises offered expanded menus that featured fish, chicken, salads and baked potatoes. Gourmet burgers and reformulated recipes also made their debut, and hamburger restaurants continued to explore the morning meal market.

Advertising and promotion outlays increased as hamburger franchises raced to improve their standings in the market. Meal packages and coupons were popular and several hamburger chains even cut prices on some menu items to meet the competition.

Competition is likely to escalate in this segment as more firms vie for market share and other franchise segments encroach on the hamburger market.

Summary: hamburger franchises

- Sales surged a substantial 16.3 percent in 1984, outperforming the 12.2 percent sales gain recorded by all franchise restaurants. Total sales reached $22.0 billion.
- The number of franchise hamburger outlets totaled 29,305 in 1984, advancing 3.7 percent. While this gain was below the average 4.4 percent advance for all franchise restaurants, it was the segment's best performance since 1980.
- Franchisee-owned units experienced the largest sales advance in 1984, rising 17.1 percent to $16.0 billion. Company-owned hamburger franchises posted a lower 14.4 percent sales gain, with total sales surpassing $6.0 billion.
- Franchisee-owned outlets outnumbered company-owned units by more than three to one in 1984. The number of franchisee-owned hamburger restaurants totaled 22,860 in 1984,

a 4.4 percent increase over 1983, and the best unit growth performance for this segment since 1976. The number of company-owned outlets reached 6,445—up one percent.

- Franchisors anticipate continued strong growth for this segment. Sales were expected to increase 9.1 percent to $24.1 billion in 1985, and operators are forecasting total sales to reach $26.5 billion in 1986, a healthy 10.0 percent gain.
- Unit growth was expected to pick up in 1985 and 1986, advancing 5.8 percent and 7.0 percent.

Pizza franchises feel the heat . . .

In the midst of a competitive struggle between smaller operators and industry giants, the pizza segment has exploded with a flurry of new ideas and menu items. Although seven firms exited the market in 1984, the pizza segment accounted for 18.0 percent of all franchise units, up from 17.6 percent in 1983.

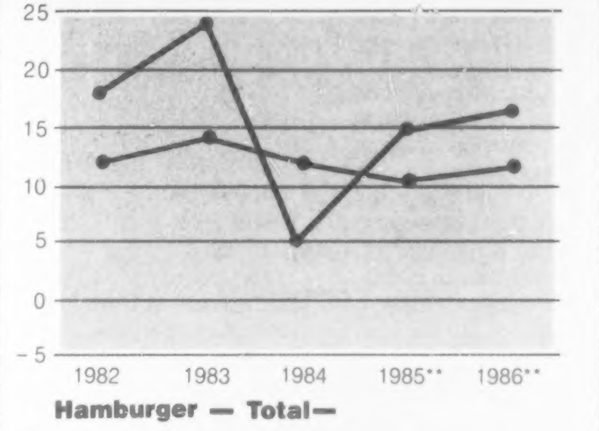
A host of new products has surfaced in this segment as operators fight for their share of the market. Recent additions include pan and stuffed pizzas, sourdough and whole wheat crusts and gourmet toppings.

Individual size pizzas are beefing up the lunch trade, and some operators are experimenting with breakfast pizzas. In addition, home delivery, which is practically synonymous with pizza restaurants, continues to climb.

Summary: pizza franchises

- Total sales for the pizza franchise segment reached $4.9 billion in 1984, up 6.1 percent over 1983. This is the smallest sales gain recorded for the segment since the franchising survey began in 1970, influenced, no doubt, by the decline in the number of pizza franchise firms.

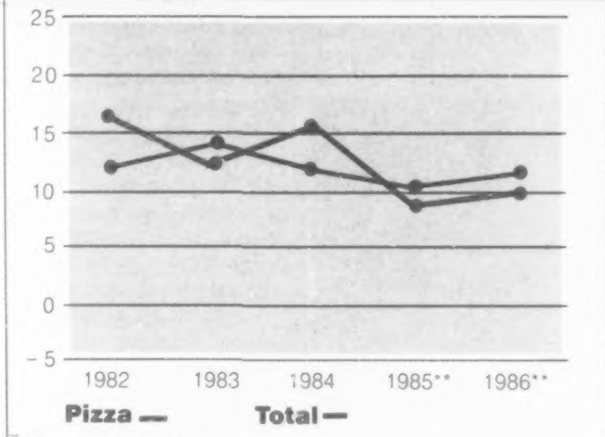
Percent sales change in hamburger vs. total franchise restaurants*



*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

- In 1984 there were 12,705 franchise pizza outlets, a gain of 7.2 percent over the prior year. This advance is lower than the 11.5 percent gain posted in 1983, but higher than the 4.4 percent average unit growth for all franchise restaurants.
- The number of franchisee-owned pizza establishments advanced a healthy 8.2 percent in 1984, bringing the total to 8,343. Company-owned units rose a modest 5.4 percent, reaching 4,362 outlets.
- Sales at franchisee-owned restaurants outpaced company-owned establishments in 1984. Total franchisee-owned unit sales reached $3.1 billion in 1984, up 7.5 percent over 1983. In comparison, company-owned pizza restaurants posted sales of $1.9 billion.
- Franchisors are predicting a rosy future for the pizza segment. Sales were forecast to jump a phenomenal 16.0 percent in 1985 and are expected to increase an even higher 17.8 percent in 1986.
- Operators expected robust unit expansion in 1985, with the total number of pizza franchises forecast to expand 13.5 percent. By 1986, franchise pizza outlets are predicted to advance 12.8 percent, equalling more than 16,000 units.

Percent sales change in pizza vs. total franchise restaurants*



*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

Chicken market records steady growth . . .

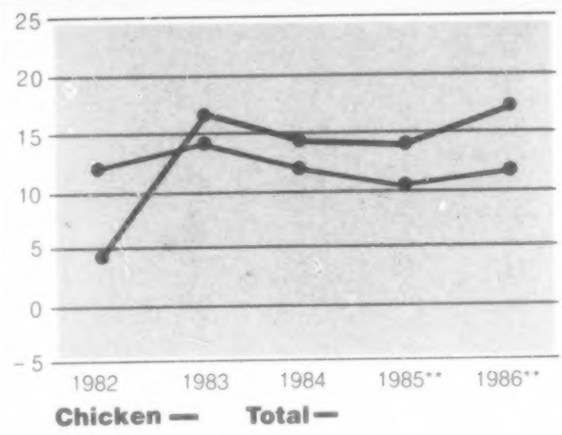
In 1984, the chicken franchise market continued to post above-average gains in sales and unit growth, even though one franchise chicken firm left the market. Sales for this segment advanced a healthy 13.8 percent versus a 12.2 percent average gain for all franchise restaurants in 1984. The number of franchise chicken outlets totaled 8,576 units, up 5.8 percent.

Innovative product development has helped boost the chicken segment's performance. Spicy chicken, crispier chicken and chicken nuggets have revolutionized this category's menus. Side dishes, such as spicy rice and biscuit sandwiches, have further broadened the chicken segment's appeal. In addition, many operators have introduced lower-calorie broiled chicken sandwiches and entrees to appeal to nutrition-conscious customers.

Chicken franchise firms are increasing their activity in foreign markets. Two additional chicken franchise firms entered the international market in 1984, boosting the total number of units overseas to 1,757.

Summary: chicken franchises

- Chicken franchise restaurant sales totaled $3.9 billion in 1984, advancing 13.8 percent over the prior year. This was somewhat lower than the 1983 gain of 16.0 percent.
- The number of units advanced 5.3 percent, outdistancing 1983's 4.8 percent gain and posting the largest increase since 1979. This increase was also higher than the 4.4 percent gain for all franchise restaurants.
- Sales at company-owned units skyrocketed 23.8 percent in 1984, totaling $1.6 billion. Sales at franchisee-owned units posted a more modest gain of 7.8 percent, reaching $2.3 billion.
- The number of company-owned units totaled 3,162, up 12.1 percent over 1983. In comparison, franchisee-owned units expanded a slight 1.6 percent to total 5,414.
- Operators predicted that sales in the chicken franchise segment would exceed $4.4 billion in 1985, a 13.1 percent advance. In 1986, sales are expected to climb an even higher 15.5 percent to $5.1 billion.
- Unit growth was expected to climb 7.9 percent in 1985, and is forecast to increase an even greater 9.9 percent in 1986, totaling 10,175 units.



Percent sales change in chicken vs. total franchise restaurants*

*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

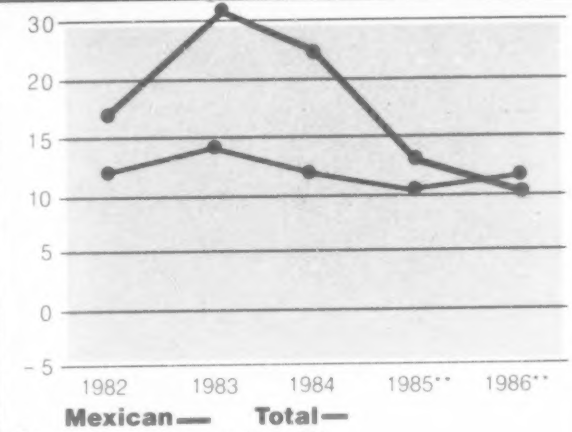
Mexican fires up . . .

Franchise Mexican restaurants are hot. The total number of franchise Mexican restaurants has more than doubled in 10 years—from 1,462 units in 1974 to 3,774 units in 1984. This rapid expansion has elevated Mexican restaurants from a primarily regional segment to one which is now national in scope. The popularity of Mexican restaurants reflects the growing interest in more spicy, ethnic dishes.

Expansion in this segment is almost certain to continue. Although there were three fewer Mexican franchise firms in 1984, this segment posted sales of more than $2.1 billion.

Summary: Mexican franchises

- Mexican franchise restaurants posted the largest sales gain of all franchise restaurant categories in 1984. Sales climbed a substantial 25.6 percent and surpassed $2.1 billion. This is less than the 33.7 percent increase in 1983, but considerably higher than the 12.2 percent average sales gain for all franchise restaurants.
- Unit expansion slowed somewhat, increasing 8.8 percent in 1984 versus 13.7 percent in 1983. But this is still twice the 4.4 percent average increase for all franchise outlets in 1984.
- Sales for company-owned units increased faster than at franchisee-owned outlets. Company-owned sales surged 29.5 percent to $1.1 billion while franchisee-owned sales advanced a lower, but still substantial, 21.5 percent to $992 million.
- There were more franchisee-owned units in 1984 than company-owned establishments, 2,072 versus 1,702. However, the number of company-owned units advanced 10.7 percent compared with a lower 7.3 percent rise for franchisee-owned outlets.
- Franchisors expect more moderate growth for this segment in the future. Sales were projected to rise 13.7 percent in 1985 and are estimated to rise 11.4 percent in 1986.
- Unit growth projections were 11.3 percent in 1985 and 10.9 percent in 1986 to reach 4,660 units.



Percent sales change in Mexican vs. total franchise restaurants*

*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

Seafood perks up . . .

In 1984, sales climbed a significant 14.5 percent, the strongest increase since 1979. This growth was boosted by the entrance of one new seafood firm into the category.

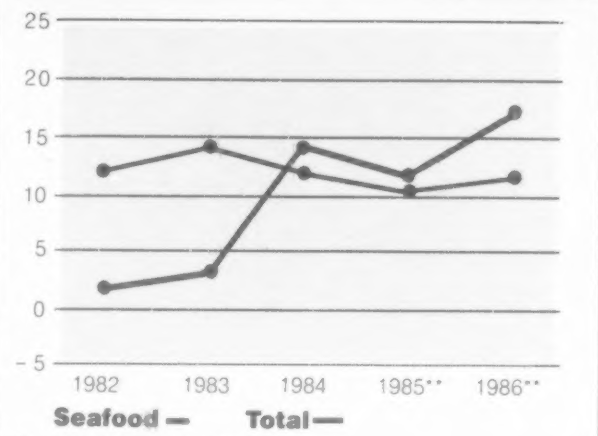
Many seafood franchisors are capitalizing on the health and nutrition trend. Consumers are interested in eating light and healthy meals, and seafood establishments are increasingly being called upon to fulfill this need. In addition, franchisors are luring customers and boosting sales by upscaling concepts and broadening menu selections with more broiled and baked items as well as non-seafood entrees.

There is room for growth in this segment, and franchisors have a positive outlook for the future. Significant gains in both sales and traffic are projected for 1985 and 1986, as franchisors plan to take advantage of consumers' growing nutrition concerns.

Summary:
seafood franchises

- Sales leaped 14.5 percent in 1984 to $1.1 billion. This marks a considerable improvement from the sluggish 3.2 percent increase posted in the prior year.
- The number of units reached 2,320 in 1984, a slight 0.5 percent advance. Although this gain is less than the 4.0 percent increase recorded in 1983, it is still an improvement over the 0.2 percent decline in 1982.
- Company-owned sales rose significantly in 1984, up 16.8 percent to $622 million. This outpaces the 11.5 percent sales increase posted for franchisee-owned establishments.
- The number of company-owned outlets also grew at a substantial pace in 1984, advancing 9.3 percent. This compares with a smaller 3.9 percent gain in 1983. On the other hand, the number of franchisee-owned units dropped 9.0 percent to 1,012 units.
- Franchisors have an optimistic outlook for this segment's future growth. In 1985, sales were expected to jump 12.0 percent, and in 1986 they should rise an even greater 17.2 percent. The number of units was expected to advance 6.2 percent in 1985 and 11.1 percent in 1986.

Percent sales change in seafood vs. total franchise restaurants*



*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

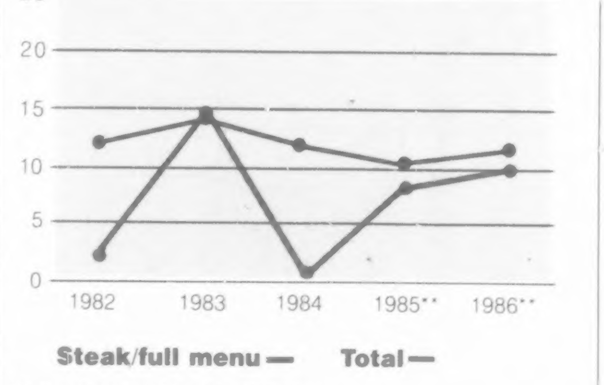
Steak/full menu sales up slightly . . .

The steak/full menu segment is taking on a new look. Chains are breaking away from their traditional "meat and potatoes" image and are jumping on the health and nutrition bandwagon. New menu additions, including expanded salad bars, as well as chicken, pasta and seafood dishes, are helping to promote this new image. Additionally, updated decors with brighter colors are creating a more contemporary appearance.

However, sales growth and unit expansion in 1984 did not reflect these changes. Total sales for the category inched up 0.7 percent and, while the number of steak/full menu franchise firms remained constant between 1983 and 1984, the number of units declined 2.9 percent as operators closed unprofitable sites.

But, brighter days are ahead for this segment. Significant gains are projected for 1985 and 1986.

Percent sales change in steak/full menu vs. total franchise restaurants*



*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

Summary:
steak/full menu franchises

- Sales advanced a disappointing 0.7 percent to $7.8 billion in 1984. In comparison, sales rose a substantial 15.0 percent in 1983.
- The total number of outlets in this category declined 2.9 percent, from 9,849 units in 1983 to 9,563.
- A substantial 14.1 percent advance in company-owned sales helped counteract disappointing performance in the franchisee-owned sector. Sales reached $4.7 billion compared to $4.1 billion the year before. On the other hand, sales at franchisee-owned establishments plunged 14.5 percent and equaled $3.1 billion.
- A significant 7.4 percent decline in the number of franchisee-owned outlets from 5,055 units in 1983 to 4,680 in 1984 was responsible for the overall drop in franchise units in this segment. On a more positive note, unit expansion for company-owned establishments rose a modest 1.9 percent to 4,883 units.
- Franchisors have high hopes for the segment's future growth. Sales were expected to climb 8.3 percent in 1985 to $8.4 billion. In 1986 total sales should reach an even higher $9.4 billion, up 11.7 percent.
- Unit growth was projected to make healthy strides, rising 3.3 percent in 1985 and 7.8 percent in 1986 to total 10,648 outlets.

Pancake sales jump . . .

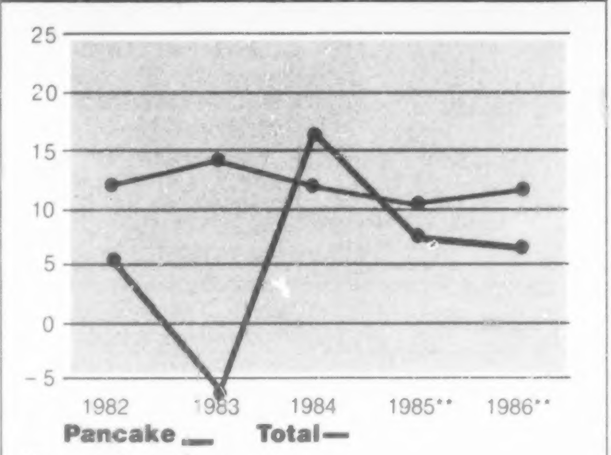
Sales and unit growth at pancake franchises jumped substantially in 1984 as franchisors worked to offset the losses this segment suffered in the prior year. Sales stacked up to $985 million, a whopping 17.5 percent increase, while unit growth rose a strong 9.4 percent.

Franchisors have successfully risen to the challenges facing this segment. Increasing competition from fast food and other restaurant segments for the breakfast market has led franchisors to reposition as a three-meal concept. In addition, chains are adding lighter entrees and upgrading decors to attract a wider range of clientele.

Summary: pancake franchises

- Total pancake sales reached $985 million in 1984, advancing a substantial 17.5 percent. In contrast, sales declined 6.2 percent in the prior year.
- Unit growth increased 9.4 percent in 1984, totaling 1,704 establishments.
- Sales at both company and franchisee-owned units "moved like hotcakes." Company-owned sales leaped 20.3 percent to $318 million compared to a 4.9 percent drop in 1983. Sales at franchisee-owned outlets jumped 16.3 percent and totaled $667 million in 1984, versus sales of $574 million in the prior year.
- The number of franchisee-owned outlets rose a healthy 10.1 percent and totaled 1,178 in 1984, outpacing both overall and company-owned unit growth. Growth at company-owned establishments increased 7.8 percent to 526 units.
- Franchisors expect future growth and were anticipating sales gains of 8.1 percent and 7.1 percent, respectively, in 1985 and 1986.
- Unit expansion was expected to climb 4.0 percent in 1985 and is expected to increase 5.8 percent in 1986.

Percent sales change in pancake vs. total franchise restaurants*



*Percent change from previous year
**Estimated by respondents
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986*

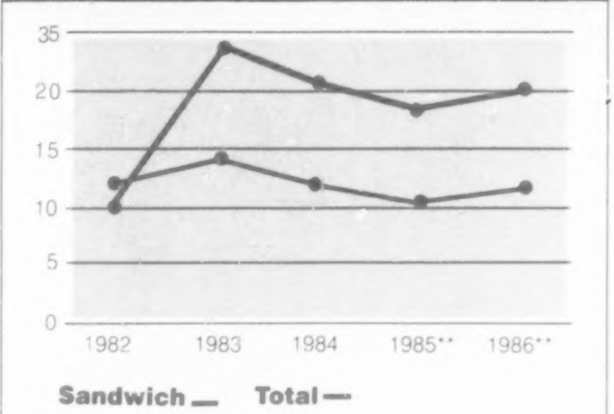
Sandwich segment skyrockets . . .

The sandwich franchise segment posted an outstanding performance in 1984, as sales and unit growth skyrocketed. Sales increased by nearly 25.0 percent while unit growth advanced at an equally impressive 22.8 percent rate. The entrance of one additional firm into this category helped to propel this explosive growth.

Other factors contributing to this segment's growth are the low start-up and labor costs for these units. In addition, because of their small size (average store sales in 1984 were $245,706), sandwich franchises are adaptable and can succeed in a variety of locations.

Many firms are branching out and experimenting with a wider range of menu items. Pizza and overstuffed sandwiches are among the offerings that can now be found at these establishments. Many chains also are promoting fresh baked goods, such as croissants and bagels, and installing gourmet food shops.

Percent sales change in sandwich vs. total franchise restaurants*



*Percent change from previous year
**Estimated by respondents
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986*

Summary: sandwich franchises

- In 1984, the sandwich segment boasted sales of $626 million, a 24.6 percent advance and the second best performance of all the segments. However, this increase is somewhat below the 34.0 percent gain recorded in the prior year.
- Unit growth increased at the fastest pace since 1980, up 22.8 percent to 2,548 outlets. In 1983, the number of units rose 14.6 percent and totaled 2,074.
- Sales at company-owned units shot up 39.0 percent to $130 million. This compares with a whopping 44.1 percent gain in 1983. Franchisee-owned sales also rose at a substantial pace, climbing 21.3 percent to $496 million.
- The number of company-owned sandwich franchises increased at the fastest pace—leaping 31.2 percent to 563 units. In contrast, company-owned units grew at a slower rate in 1983—up 13.2 percent. Unit growth at franchisee-owned stores also rose at a substantial pace in 1984, up 20.7 percent to 1,985 units.
- Future expectations for this segment are upbeat. Sales were projected to expand at an above average rate, with respective increases of 18.2 percent and 21.2 percent expected for 1985 and 1986.
- Unit growth is also projected to make impressive gains. In 1985, the number of units should reach 2,872, a 12.7 percent increase. In 1986, total units are forecast to reach 3,379.

—Sallie Adams
—Susan Adelman

Franchise ice cream/yogurt store and donut shop sales top $1.7 billion

Franchise ice cream/yogurt stores and donut shops are big business. In 1984 their combined sales reached an impressive $1.7 billion, underscoring their importance to the foodservice industry. Because these establishments are classified as "food retailers other than convenience stores" by the U.S. Department of Commerce's Franchising in the Economy, 1984-1986, *their sales are not included in the study's franchise restaurant report. If they were included, franchise restaurant sales would be increased to $45.1 billion.*

Ice cream sales slip . . .

The saga of America's love affair with ice cream continues, although the first blush of romance is waning. Despite the trend toward lighter, healthier foods, Americans cannot seem to resist this delicious, frozen treat. Franchisors are picking up on this trend. Four new firms entered the ice cream/yogurt market in 1984, bringing the total number of firms to 49.

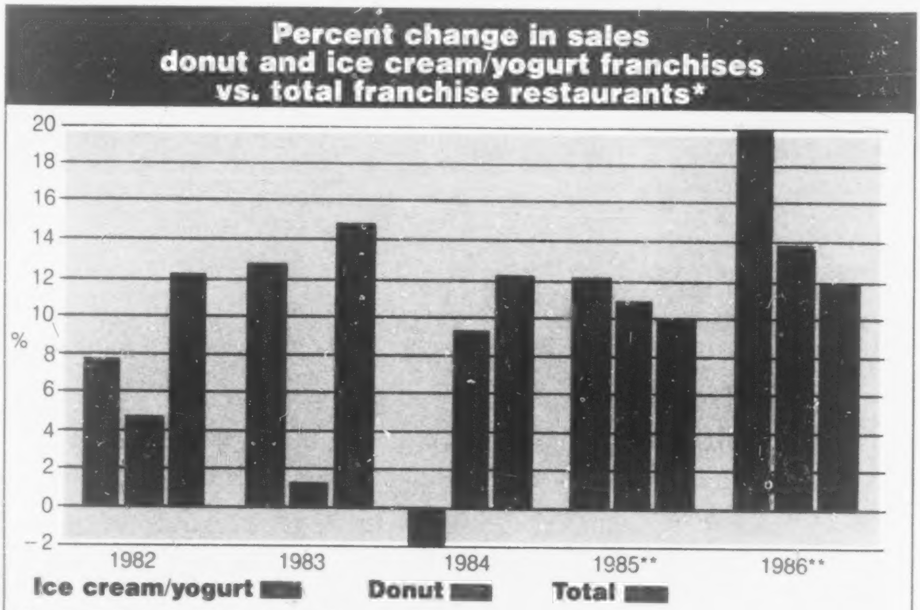
As competition among these companies intensifies, firms are battling for market share. In addition to gourmet flavors, chains are luring customers with waffle cones, "mix-in" items and even special diet ice cream. To further boost sales, several chains have introduced baked goods, while others are marketing products in supermarkets.

Summary: ice cream and yogurt shops

- Sales for ice cream and yogurt franchises dipped somewhat in 1984 from $965 million to $945 million, a 2.2 percent decline. A 10 percent drop in overall ice cream shop customer traffic in 1984 contributed to the downturn. According to CREST data, an especially notable decline took place in the summer months when traffic is usually the strongest.
- The rate of unit expansion increased a healthy 6.5 percent. However, this is well below the 14.0 percent gain posted in the prior year. The total number of units rose from 6,322 in 1983 to 6,736 in 1984.
- Franchisee-owned unit sales edged down 1.7 percent to $888 million. In comparison, sales at these units jumped 12.3 percent, totaling $904 million in 1983. Sales at company-owned ice cream/yogurt stores tumbled 8.7 percent in 1984 versus a substantial 18.6 percent leap in 1983.
- The number of company-owned outlets totaled 202 in 1984, versus 186 units in the prior year—a gain of 8.6 percent. Franchisee-owned stores advanced at a somewhat slower 6.5 percent rate, reaching 6,534 outlets.
- Franchisors have a bright outlook for this segment. Sales were projected to turn around in 1985 and jump 12.2 percent to $1.0 billion. (CREST data reported a 10 percent rise in customer counts in 1985.) Franchisors predict an even greater advance of 20.2 percent for 1986 when sales should hit $1.3 billion.
- Unit growth also should expand at a rapid pace through 1986. During 1985 the number of ice cream and yogurt franchise outlets was projected to reach 7,717 units, a gain of 14 6 percent. In 1986, the number of units is projected to reach 9,038, a substantial 17.1 percent advance.

Donut franchise sales up significantly . . .

Donut franchises are on the move. Faced with increasing competition for the breakfast market from supermarkets, cookie chains and other fast food establishments, these firms are fighting back. Chains are diversifying menus in order to attract a wider range of consumers. Among the items now found on menus are breakfast sandwiches,


Percent change in sales donut and ice cream/yogurt franchises vs. total franchise restaurants*

*Percent change from previous year.
**Estimated by respondents.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

biscuits, muffins and brownies. This strategy seems to be working. Sales and unit growth made significant gains at these establishments in 1984.

Summary: donut franchises

- Donut franchise sales climbed an impressive 9.5 percent in 1984, reaching $756 million. This is a considerable improvement over 1983, when sales advanced a more modest 1.6 percent.
- The total number of franchise units reached 2,318, a healthy 6.5 percent gain. This increase reverses the 2.0 percent decline registered one year earlier, and is significantly higher than the slight 0.1 percent advance posted in 1982.
- Franchisee-owned outlets posted the most substantial increase in sales during 1984—up 11.1 percent to $668 million. This is significantly higher than the 1.8 percent advance recorded in 1983. On the other hand, company-owned outlet sales slumped in 1984—down 1.0 percent to $88 million.
- Franchisee-owned unit growth rose at the fastest pace in 1984, climbing 7.1 percent to 2,100 stores. This represents the first rise in franchisee-owned units in three years. Total company-owned units reached 218, versus 216 units in 1983.
- Continued growth is in the picture for donut franchises. Sales were forecast to rise 11.4 percent in 1985 to $843 million. In 1986 sales should advance an even stronger 14.0 percent to total $961 million.
- The number of units was expected to expand at a 6.3 percent rate in 1985, approximating 1984's gain. In 1986, the total number of outlets is expected to reach 2,698, a substantial 9.5 percent increase.

—Susan Adelman

International market: a golden opportunity

Each year the number of franchisors that decide to spread their wings into international territories grows. The international marketplace presents a golden opportunity for firms that can overcome obstacles, such as cultural differences, language barriers and complicated laws and regulations. As increasing numbers of American and foreign firms realize this market's great potential for growth, competition for market share should intensify. Additionally, local and other international companies will provide stiff competition for American firms in the coming years.

Three new firms entered the international franchise restaurant market in 1984, bringing the total number of firms operating units outside the United States to 67, according to the Department of Commerce study, *Franchising in the Economy, 1984–1986*. The total number of American franchise restaurant units throughout the world climbed a healthy 8.6 percent to 5,990 stores—up from 5,516 outlets in 1983.

Canada led the foreign markets with the most American-franchised eating place outlets—1,591 stores were in operation there in 1984, up 3.4 percent from 1,539 units in the prior year. Japan was not-far behind with 1,490 stores, a substantial 11.7 percent gain. Australia placed a distant third with 581 units, followed by the United Kingdom with 576 units and continental Europe with 514 outlets. The most significant increase in American franchise restaurants occurred in areas of Asia outside of Japan. The total number of units jumped 18.1 percent to 431 stores.

Hamburger franchises flourish . . .

Hamburger franchises continue to do well in the international marketplace. In 1984, 16 companies operated franchised units throughout the world, two more than in 1983. These firms accounted for more than half of the franchised units in the international market. The total number of hamburger outlets reached 3,117, an impressive 10.9 percent jump over 1983.

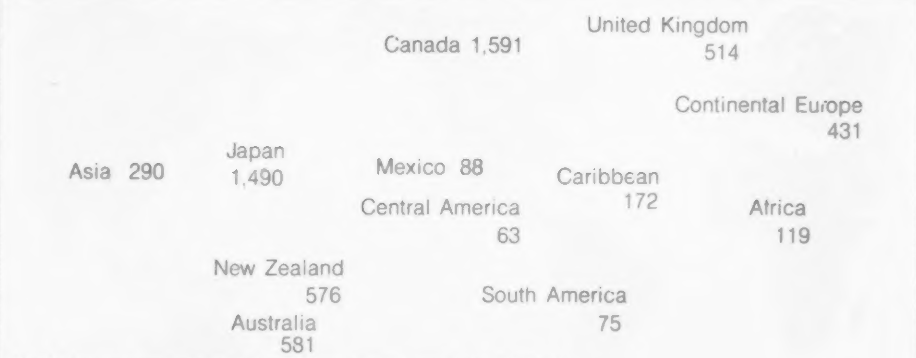
Canada accounted for 40 percent of the total franchise hamburger outlets in 1984, outdistancing other markets. There were 1,233 units in operation there, up 7.3 percent from 1,149 units in the prior year. Japan reported the second highest number of units—667, up 11.9 percent over 1983. Continental Europe followed with 428 outlets.

The most rapid expansion took place in South America, where the number of hamburger units leaped 46.9 percent to 47.

Chicken franchises continue to prosper . . .

Chicken franchises continue to prosper. In 1984, chicken franchise restaurants accounted for the largest share of total franchise restaurants in six of

Top 12 international franchise markets (1984)*



Includes company-owned, franchisee-owned and joint ventures.
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

the 12 reported international markets. In Africa, for example, chicken franchises represented 95.3 percent of all franchise restaurant types. Furthermore, chicken franchises accounted for an impressive 65.1 percent of the franchise restaurants in the United Kingdom. Other markets where chicken franchises are on top include Mexico, the Caribbean, New Zealand and Australia.

Nine firms operated chicken franchise outlets in foreign countries during 1984, two more than in 1983. The total number of worldwide chicken franchise outlets reached 1,757, an 8.4 percent advance from 1,621 units. The country with the highest number of franchise units was Japan with 504 stores, up an impressive 15.6 percent from 1983. The United Kingdom followed, reporting 375 outlets. Continental Europe posted the greatest increase, up 43.2 percent to 53 stores. On the flip side, Canada experienced a decline in franchise chicken units, down 81.6 percent.

Pizza franchise restaurants gain . . .

Fourteen pizza firms operated franchise restaurants outside the United States in 1984, one less than in 1983. However, the total number of units climbed a healthy 8.2 percent to 539 outlets. Australia boasted the most pizza units—134. Canada ranked second with 100 stores.

Japan registered the most significant increase in pizza outlets—up 21.2 percent. The Caribbean also posted a hefty 17.1 percent gain, to 48 units in 1984. However, two markets, continental Europe and Mexico, reported a decline in franchised units, down 2.9 percent and 3.1 percent, respectively.

International franchise restaurant units by restaurant type

Restaurant type	Total units (1984)	Percent change (1983–1984)
Hamburger	3,117	10.9%
Chicken	1,757	8.4
Pizza	539	8.2
Steak/full menu	461	−1.9
Mexican	90	8.4
Pancake	12	nc*
Seafood	11	−38.9
Sandwich/other	3	nc*
Total	**5,990**	**8.6%**

*No change.

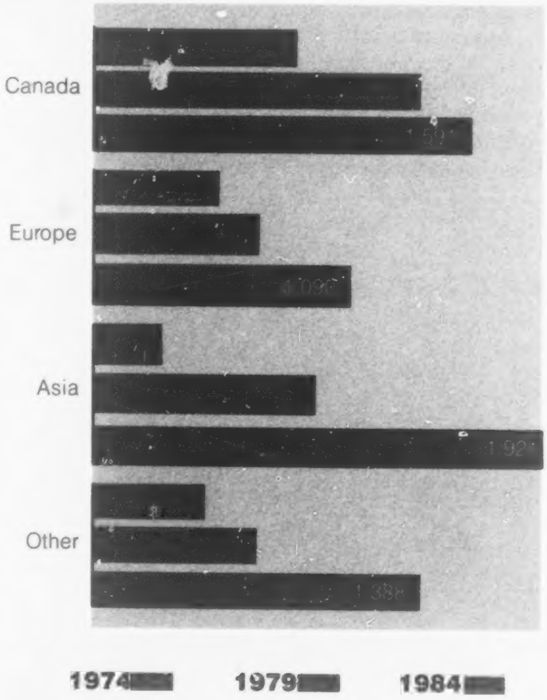
Source: U.S. Department of Commerce, *Franchising in the Economy, 1984–1986.*

Mexican franchises on the move . . .

Although the number of firms operating Mexican franchises remained at seven in 1984, the number of franchised units in the international market continued to grow. Ninety outlets were in business during 1984—up from 83 one year earlier. Canada topped the list of countries with the most franchised units—64 compared to 61 in 1983.

The Caribbean also posted a considerable increase in the number of franchised units, up a hefty 17.6 percent.

Growth in international franchise restaurant units



Source: U.S. Department of Commerce, *Franchising in the Economy 1984–1986.*

Seafood franchise units on the decline . . .

The number of seafood franchise restaurant firms operating outside the U.S. remained at three in 1984. However, the number of outlets operated by these firms tumbled from 18 units in 1983 to 11 units in 1984. This disappointing drop largely stems from a decline in Asian units.

Steak/full menu franchises down . . .

Although the number of firms operating steak/full menu restaurants outside the U.S. remained steady at 14 in 1984, the number of franchised units dipped slightly to 461 outlets from 470 outlets in 1983. This was due to a decline in the number of units in two markets. In Australia franchised steak/full menu outlets decreased from 10 units in 1983 to five units, and in Canada the number of units tumbled 8.8 percent to 175 stores. Despite these setbacks, the total number of units rose in several markets. In Japan, for example, the number of units rose 4.6 percent to 248.

Pancake franchisors maintain status quo . . .

The international pancake franchise segment experienced an uneventful year in 1984. Only two firms continue to operate units abroad. Japan kept its lead in the segment with eight outlets, followed by Canada with three units.

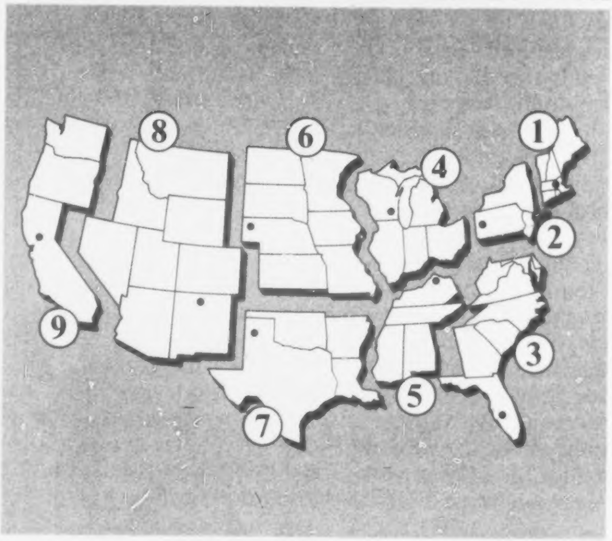
Sandwich franchise restaurants stable . . .

The number of sandwich firms operating franchised units outside the U.S. remained at two in 1984. Canada had three outlets, unchanged from 1983, and continues to be the only franchised sandwich market

—*Susan Adelman*

How's business?

by Anne Papa



1

NEW ENGLAND

Location: Boston, MA
NRA member: Edward P. Sheehan
Operation: EDOT Corporation
Profile: Mug 'n' Muffin franchisee with one unit
In business: 10 years
Seats: 100
Meals served: Breakfast, lunch, dinner

Just because muffins are traditionally a breakfast food does not mean people only enjoy them in the morning, says **Edward Sheehan,** owner of the Mug 'n' Muffin restaurant. The Mug 'n' Muffin serves six fruit or spice muffin varieties and customers are apt to order them and other breakfast items all day long. Blueberry and bran are clear favorites.

However, Sheehan points out that "muffins alone can't make the world"—or a business. That is why Mug 'n' Muffin's menu is supplemented by lunch and dinner items, such as omelets, meat and poultry dishes. Turkey is the most popular non-muffin item.

Sheehan reports that sales during all meal periods were up during the winter holidays, but the combination of Boston's fierce winter weather and the traditional post-holiday slump has resulted in a traffic decline in the succeeding months.

2

MIDDLE ATLANTIC

Location: Evans City, PA
NRA member: William L. Dickson, Jr.
Operation: Waffle Hut, Inc.
Profile: Specialty restaurant with plans to franchise
In business: 4 years
Seats: 92
Meals served: Breakfast, lunch, dinner

William Dickson is excited about the franchising prospects for his Waffle Hut concept. "The restaurant industry had better keep its eyes open," he advises, "because we're going to be one of the biggest franchisors in the country."

Dickson says the success of his current Waffle Hut, located in Pittsburgh, inspired him to apply to the FTC for permission to franchise the concept in most states in the South and Middle Atlantic regions. In some states, such as Florida, plans are already being made for construction of franchised units. In other states, permission is pending.

What makes the concept so attractive? Dickson explains that success comes from a combination of a high-quality signature item—Belgian waffles, served in 20 varieties, including the "peanut-butter 'n' jelly" waffle and "banana split" waffle—and low prices. He adds that customers are also intrigued by the design of the Waffle Hut. "It looks like a giant waffle from the outside," he explains, "with a huge, panel dome roof that creates cathedral ceilings within."

3

SOUTH ATLANTIC

Location: Clearwater, FL
NRA member: Dick Tetro
Operation: Burger King
Profile: Franchisee with 5 units
In business: 8 years
Seats: 65 average
Meals served: Breakfast, lunch, dinner

Sales in 1986 have already improved over those of late 1985 for **Dick Tetro's** five Burger King units. Already, he reports, midwinter sales are 10 percent over last year's. He attributes the improvement to a fairly good economy in Clearwater and a low unemployment rate.

Tetro has also been attracting business in some of his units with two-for-one discount specials and an "employee of the month" promotion sponsored with area companies. Each month an outstanding employee receives a free Whopper at Burger King.

Name recognition is the major benefit to a franchisee, according to Tetro. "People may not come in if I put my name over the door," he says. "Customers know what to expect from Burger King."

4

EAST NORTH CENTRAL

Location: Brookfield, WI
NRA member: Stephen M. Janecko
Operation: Pizza Slices, Inc.
Profile: Rocky Rococo franchisee with 5 units
In business: 3 years
Seats: 135 average
Meals served: Lunch, dinner

Business has been picking up at **Stephen Janecko's** five Rocky Rococo units, even though he has tough competition—the American auto industry. "Many people in this area bought cars this past fall because of inexpensive financing incentives from the major companies," Janecko explains. "That left people with a lot less pocket money for pizza."

But the marketability of pizza-by-the-slice, sold with a variety of topping options, has kept customers coming to Rocky Rococo's. Aside from traditional toppings (pepperoni, sausage, extra cheese, etc.), the franchise units also offer a vegetarian slice called the "Garden of Eden," which consists of green peppers, onions and mushrooms piled high on a whole wheat crust. And each month a "slice of the month," with various topping combinations is featured.

5

EAST SOUTH CENTRAL

Location: Florence, KY
NRA member: Arnold Caddell
Operation: Bonanza Family Restaurant
Profile: Franchisee with 18 units
In business: 8 years
Seats: 225 average
Meals served: Lunch, dinner

Arnold Caddell's Bonanza Restaurants have been doing quite well, according to **Jeanette Tucker,** assistant manager of the Florence unit. She says that, in a region known for high beef consumption, customers are drawn by the Bonanza menu that features no less than 16 steak items.

Although steak is the house specialty, Bonanza's salad bar is also a main attraction. For one fixed price, customers get: an extensive choice of cold salad items; a rotating selection of hot items, such as potato skins, nachos with cheese, baked beans or buttered noodles; three kinds of bread, including cinnamon rolls, white bread and cornbread; and a build-your-own sundae bar with soft-serve ice cream.

Tucker says the combination of the extensive menu and the salad bar makes Bonanza a favorite stop for families, since there is bound to be something for everyone. She adds that business people are also attracted at lunch by daily specials, which are prepared and served quickly.

6

WEST NORTH CENTRAL

Location: Chadron, NE
NRA member: Roger Corbit
Operation: A&W Drive-In
Profile: Franchisee with one unit
In business: 24 years
Seats: 64
Meals served: Lunch, dinner during winter; breakfast added during summer

All businesses slow down in Chadron during the winter months, reports **Chris Connor,** assistant manager of the A&W Drive-In. Located at the junction of two major interstates that lead to Yellowstone National Park and the Black Hills, Chadron depends heavily on tour buses, which only travel through during the warmer months.

There are local customers who pick up the slack at the A&W restaurant during winter. Mostly, says Connor, they come for the house specialty—burgers, fries and a frothy A&W root-beer float for dessert. The addition of low-calorie menu items, such as a chicken salad sandwich and a salad bar, has broadened A&W's customer appeal. A new decor, emphasizing light, airy panelling and a fireplace, has also helped business.

7

WEST SOUTH CENTRAL

Location: Amarillo, TX
NRA member: L. Dale Pownell
Operation: Pizza Hut
Profile: Franchisee with 15 units
In business: 20 years
Seats: 60 average
Meals served: Lunch, dinner

Only in Texas could a franchisee own 15 units, all in one state, and still have them be hundreds of miles apart. This distance creates a problem, says **Janice Jackson,** office manager for Dale Pownell's Pizza Hut franchise operation. "We depend a lot on mail for communication between units," she explains, "but it's not always reliable. Each unit manager also phones headquarters every night with a sales report."

Pownell's Pizza Huts are located in small towns on the outskirts of Amarillo, Fort Worth, Dallas and Abilene. Jackson reports that, the traditional midwinter slump notwithstanding, business has been good in all units. The popularity of pan pizzas and personal pan pizzas has boosted business, and Pizza Hut's newest item, priazzo, is just beginning to catch on. Jackson also adds that, true to common belief, beef pizza toppings are popular.

8

MOUNTAIN

Location: Farmington, NM
NRA member: Ronald Boice
Operation: Boise Enterprises, Inc.
Profile: Kentucky Fried Chicken franchisee with 6 units
In business: 20 years
Seats: 50 average
Meals served: Lunch, dinner

Ronald Boice says Kentucky Fried Chicken has not changed much in the 20 years he has been a franchisee. In fact, he believes the lack of change is the reason why his units are successful. "All of our units are in small towns," he explains. "Ninety percent of our business is repeat customers who like our product because they know our product." Boice says relatively new KFC products, such as corn on the cob and buttermilk biscuits, have only served to increase customer satisfaction.

Even the most loyal customer base, however, is not immune to fluctuations in the economy. Three of Boice's units, located in western Colorado, have suffered recently because of the decline in the oil shale industry. His three New Mexico units experienced a downturn two years ago because of declines in the oil and gas industries but have since improved. Boice speculates that his company will continue to overcome setbacks "as long as we keep making the Colonel's chicken."

9

PACIFIC

Location: Sacramento, CA
NRA member: Laton A. Willis
Operation: Stratlaw, Inc.
Profile: Straw Hat Pizza franchisee with 7 units
In business: 12 years
Seats: 200 average in 5 units, 2 units are exclusively take out/delivery
Meals served: Lunch, dinner

The growing popularity of pizza and pizza delivery has meant a steady business for Laton Willis' Straw Hat Pizza franchises, according to bookkeeper **Joanie Cordano.** "Our customers aren't confined to one specific age group," she says. "Everybody likes Straw Hat pizza."

Traditional pizza toppings at Straw Hat, such as mushrooms, olives, linguica (a spicy Italian sausage), Canadian bacon and green peppers, also double as fixings on the salad bars, which stand in the five eat-in units. The pizza menu is also highlighted by seasonal specials, such as a summertime "California" pizza, which includes fresh vegetables. Currently, Straw Hat is featuring a sourdough pizza with locally-made crust. And a menu favorite for all seasons is the "Hot Hat" sandwich, consisting of pizza dough folded over various toppings.

FOOD FOR THOUGHT

Monkey business

When Wendy's International decided to open a company-owned unit in the Columbus, OH, zoo, a slightly unusual stipulation was worked into the contract: at the end of each day, left-over produce from Wendy's salad bar is fed to the zoo's gorillas.

"Apes just love fresh produce," explains Linda Packer, spokesperson for Wendy's. "And, with our emphasis on freshness, we don't want to serve day-old produce to customers. Therefore, everyone involved benefits from the arrangement." So why stop there—why not give left-over-burgers to the bears or shakes to the snakes? "It's a matter of proximity," explains Packer. "The ape house is right next to the restaurant."

—***NRA NEWS*** *interview*

A bit of nostalgia

A McDonald's restaurant in Raleigh, NC, serves more than burgers and fries to customers. It provides entertainment as well to commemorate the company's 30th year in business.

"The fact that the building is a converted movie theater makes it an ideal spot for our 'anniversary store,' " points out Bruce Wunner, vice president/regional manager of McDonald's. So the unit features two large projection screens and runs movies and television classics from the 1950s, such as "Casablanca" and "Lone Ranger" cartoons. According to Wunner, "The 50s theme is intended to recapture the era when McDonald's was founded."

The restaurant promotes upcoming feature films on tray liners and on the store marquee. Wunner says the movies are a hit among students at nearby North Carolina State and among families who bring their children on Saturday when cartoons are featured.

—Greycom Public Relations

Movie-ing into the business

Now when customers stop at their favorite 7-Eleven store in Northern Virginia, they can get much more than a late-night snack or a quart of milk. They can rent a movie and videocassette recorder as well.

The Northern Virginia operation will be the first step in what the $7 billion-a-year convenience food chain said would be a nationwide operation for its new MovieQuik service.

"What we have to offer is a number of locations, open 24-hours a day, seven days a week plus the ability to tailor our movie inventory to our clientele," said Robin Young, a spokeswoman for 7-Eleven's Capital Division, which oversees 650 stores in the District of Columbia, Maryland and Virginia.

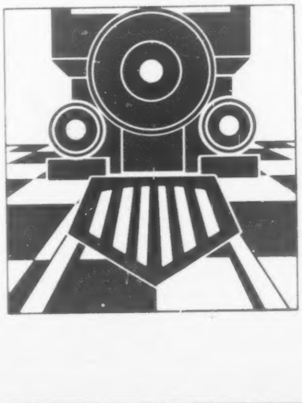
The company said it will stock more than 200 movies per store, including such hits as "Raiders of the Lost Ark," "Beverly Hills Cop" and "Ghostbusters." New tapes will be available each week. Rentals will be 99 cents per night Mondays through Thursdays and $1.99 on weekends and holidays. Videocassette players will rent for roughly $6 a night.

Membership in the store's video club is free, but renters are required to show a driver's license and a credit card as identification. Payments must be made before the tape is taken out of the store.

—Washington Post

Restaurant's success—a choo-in

Two years ago, Robert Bauer and Scott Taylor were setting up a toy train set for Bauer's young son when someone put an apple in the boxcar and sent it around the track. "Hey," wondered Bauer, "why not start a restaurant where you deliver the food in trains?"



Why not, indeed? Last month, The Train Station opened in Panorama City, CA. Dishes (mostly sandwiches and other fast food items) are loaded on toy flatcars by the chef who sends them to booths electronically. A protective window is raised when the food trains stop at the proper tables. Train station sound effects are played over the loudspeaker.

"Customers have been tickled to death," reports Taylor. The partners hope to franchise the concept this year.

—USA TODAY

NEW

Member to Member

NRA's 1986 Membership Drive

You could win

Free Dues

One year's free NRA membership

Free vacation to one of America's culinary capitals

Free Trip

Both could be yours during NRA's 1986 Membership Drive.*

Between now and the NRA Show in May, current NRA members will have the opportunity to earn a discount on their renewal dues. Members can receive a 20 percent discount on their dues for each new member (restaurateur or supplier) they recruit during the "Member Get a Member" drive. By recruiting five new members, recruiters are eligible to receive their full renewal dues free. New member's dues must be equal to or greater than the recruiter's discount.

Recruiters vacation trip drawing

As an added bonus, member recruiters will be eligible to win a two or three-day round-trip vacation for two to the city of their choice—Los Angeles, New York, San Francisco or Dallas. Accomodations provided by Hyatt Hotels; airfare provided by United Airlines. Each new member recruited means another entry for the recruiter in the vacation trip drawing which will take place at the NRA Show.

New members recruited will also be eligible for a separate drawing and may win the same spectacular vacation package.

*New memberships must be properly documented. Special application forms are being mailed to all NRA members along with more information on the NRA 1986 Membership Drive. You need not be present at the NRA Show to win.

For details, contact NRA's Membership Department
311 First St., N.W. Washington, DC 20001
800/424-5156 (toll-free) or 202/638-6100

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National Restaurant Association

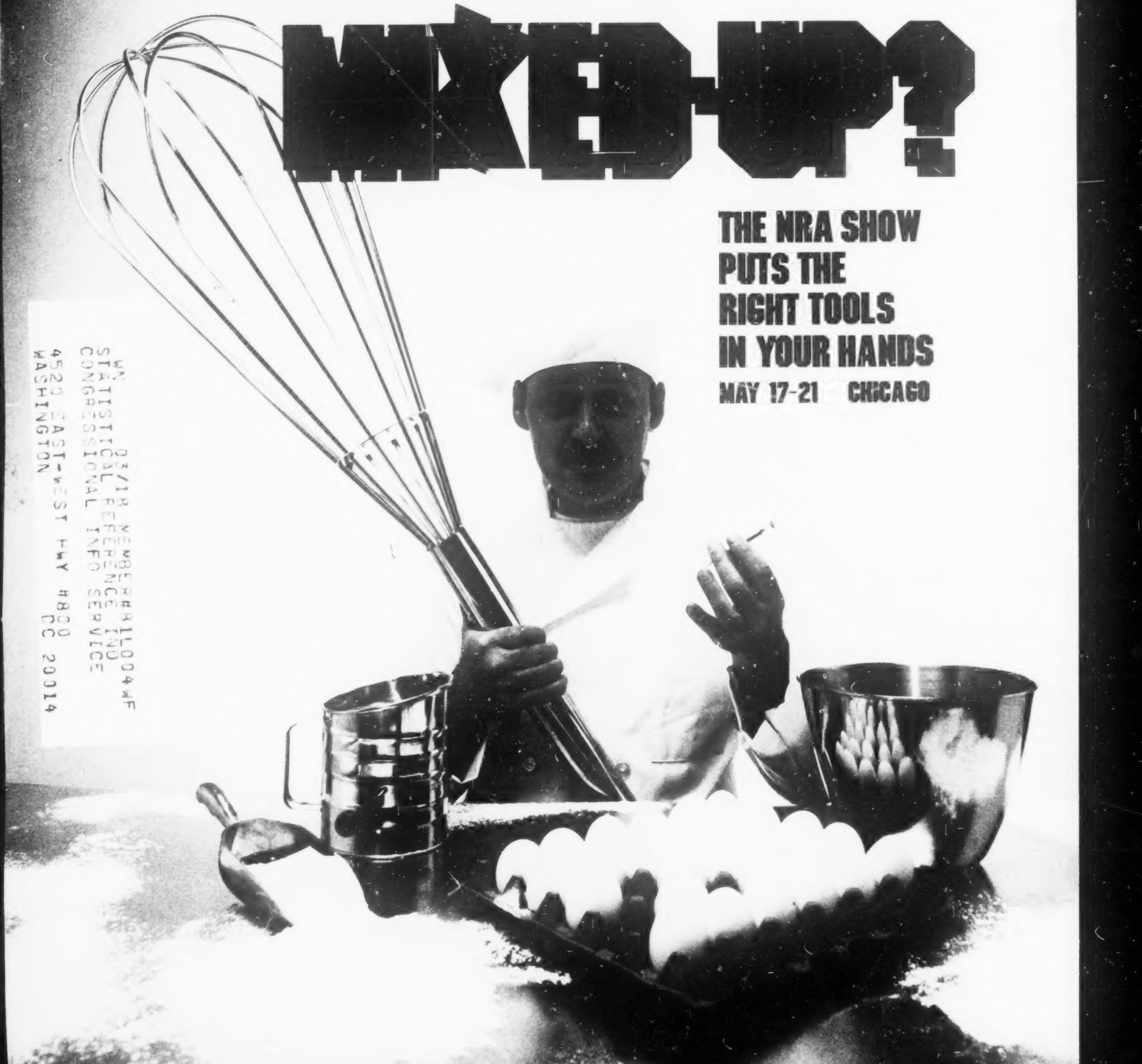
Vol. 6 ☐ No. 4 ☐ April 1986

NRA NEWS

MIXED-UP?

THE NRA SHOW PUTS THE RIGHT TOOLS IN YOUR HANDS

MAY 17-21 ☐ CHICAGO



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NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

4/22	Denver, CO
5/6	Richmond, VA
5/17	Chicago, IL (NRA Show)
6/24	Charleston, WV

Dining Room Management

4/14	Buffalo, NY
4/15	Syracuse, NY
5/18	Chicago, IL (NRA Show)
5/27	Rockville, MD
5/29	Charleston, WV
6/11	Owensboro, KY
6/16	Miami, FL
6/24	Portsmouth, NH
6/26	Stamford, CT

Kitchen Management

4/22	Denver, CO
4/24	Annapolis, MD
5/5	Newport Beach, CA
5/6	Ventura, CA
5/13	Halifax, Nova Scotia, Canada
5/17	Chicago, IL (NRA Show)
6/11	Omaha, NE
6/17	Miami, FL

People-Power and Profits

4/9	Columbus, OH
5/13	Seattle, WA
5/18	Chicago, IL (NRA Show)

Tools for Training

4/7	Newark, NJ
4/8	Atlanta, GA
5/7	Ogden, UT
5/17	Chicago, IL (NRA Show)

Food Production Courses

Perfecting Your Culinary Skills

4/8	Richmond, VA
5/12	San Francisco, CA
5/14	Ventura, CA
5/29	Hyde Park, NY
6/10	Washington, DC

Simplified Baking Workshop

4/29	Atlanta, GA
5/6	Appleton, WI

Soups and Sauces

4/7	Minneapolis, MN
4/8	Indianapolis, IN
4/21	Denver, CO

Foodservice Management Courses

Applications for Computers in Foodservice

4/28	Newark, NJ
5/18	Chicago, IL (NRA Show)
6/9	Phoenix, AZ
6/11	Portland, OR

Banquet Management

4/3	Portland, OR
4/5	Seattle, WA
4/14	Boston, MA
6/24	Milwaukee, WI

Beverage Management

5/17–18	Chicago, IL (NRA Show)
6/10–11	Oklahoma City, OK

Business Dynamics for Women in Foodservice

4/21	Denver, CO
5/18	Chicago, IL (NRA Show)
6/2	San Francisco, CA
6/4	Anaheim, CA

Employee Motivation

5/6	Cape Cod, MA
5/8	Bethesda, MD
6/17	Seattle, WA
6/19	Denver, CO

Food Cost Management

4/22	Portland, OR
6/3	Boston, MA

Foodservice Operators' Legal Workshop

5/18	Chicago, IL (NRA Show)
6/10	Philadelphia, PA
6/16	Miami, FL

Introduction to Computers in Foodservice

5/17	Chicago, IL (NRA Show)

Menu Development

4/22	Albany, NY
5/17	Chicago, IL (NRA Show)
6/4	Toronto, Ontario, Canada
6/17	Miami, FL

Negotiating for, and Financing, Foodservice Facilities

5/17–18	Chicago, IL (NRA Show)

Off-Premises Catering

4/14–15	Austin, TX
5/17–18	Chicago, IL (NRA Show)

Operational Analysis

4/21–22	Charlotte, NC
6/16–17	Miami, FL

Planning and Implementing Restaurant Marketing Strategy

4/21–22	Denver, CO
4/30–5/1	Miami, FL
5/17–18	Chicago, IL (NRA Show)

Planning Successful Buffets

6/9	Denver, CO
6/11	San Franciso, CA

Real Estate and Restaurant Site Selection

4/7–8	Louisville, KY
6/16–17	Birmingham, MI

Restaurant Design and Facilities Planning

4/28–29	St. Paul, MN
5/17–18	Chicago, IL (NRA Show)
6/9–10	Atlantic City, NJ

Wine and the Bottom Line

4/9	Washington, DC
4/15	Chicago, IL
5/5	Detroit, MI
6/9	Cincinnati, OH

For more information, contact
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156 or (202) 638-6100

Study Group Meetings

Financial Officers

4/2–4	Lake Tahoe, NV

Tax Executives

4/2–4	Lake Tahoe, NV

Market Research

4/9–11	Atlanta, GA

Quality Assurance

4/23–25	Phoenix, AZ

Management Information Systems (formerly the EDP Group)

4/29–5/2	Lake of the Ozarks, MO

Internal Audit Group

5/6–9	Hilton Head, SC

Marketing Executives

5/14–17	Chicago, IL

Foodservice Purchasing Managers

5/14–16	Chicago, IL

MAECO

5/14–16	Chicago, IL

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

NRA NEWS

Vol. 6 No. 4 April 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June-July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to ***NRA NEWS***. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright © NRA 1986. Postmaster, send address change to ***NRA NEWS***, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

Ted Balestreri
Co-owner
The Sardine Factory, Inc.
Monterey, California

We've reached it again—that time of the year when thousands of restaurateurs from every segment of the industry and every corner of the globe come together at the NRA Show in Chicago. As a restaurateur, it's the highlight of my year. I am stimulated by the people I meet and the products I find.

NRA Show adds exhibit space

This year, with the opening of the McWest exhibit area, there will be more products and services offered than ever before. As at every Show, the variety and number of educational sessions will offer something for everyone. But best of all, you will have hundreds of opportunities to meet other industry professionals.

The NRA Show also gives the association an opportunity to present our industry to political leaders. NRA's Congressional Visit Program will bring 20 U.S. Members of Congress to the NRA Show. Members will tour the exhibits as well as meet with restaurateurs and exhibitors from their home states. They will return to Washington lawmaking with a detailed understanding of the scope and role of our industry in the nation's economy—an understanding which we hope will affect the way they legislate.

Join me May 17–21 in Chicago. I'm sure you will agree that the NRA Show has earned its reputation as the greatest foodservice event of the year.

To finalize your agenda, turn to the special Show newsletter in this issue of ***NRA NEWS***.

NRA calls for grassroots support

While the association gears up for the Show, activities in Washington are still of major concern. Tax simplification is in the Senate, and the future of the business meal tax deduction is on the line. The grassroots support of our entire industry is essential to augment NRA efforts on Capitol Hill. The association is calling on all members to contact their senators and explain the devastating effect an 80 percent limitation of the business meal tax deduction would have on our industry.

Dram shop laws get review

Elsewhere in legislative and regulatory action, state legislatures across the country are considering reform to current dram shop laws. Please follow bills before your state legislature and support responsible reform to liquor liability laws.

NRA representatives continue to testify on Capitol Hill before committees which could set standards for state dram shop laws. Board members are conducting media tours across the country in an effort to spotlight public awareness on the burden current liability statutes place on the foodservice industry.

In addition, an edited 90-second video tape of the joint NRA/Penn State University symposium on the Crisis in Product and Service Liability has been requested by news media across the country. NRA efforts to reform the current liability laws will continue.

New NRA publications released

From publications to training programs, education continues to be at the foundation of NRA's member services. Look for NRA's mini-catalog of publications in the mail. Called "Be Prepared," it reviews NRA's newest publications, including customer research on the take-out market, a how-to facilities operations manual and the edited proceedings from the liability symposium. All NRA publications are geared toward helping you increase your success. If you don't receive your copy of "Be Prepared" this month, contact NRA.

NRA video training meets success

Since February, more than 1,500 NRA video training programs have been distributed to foodservice operators across the country. The positive feedback received on the four-tape waitstaff training series indicates NRA has successfully met another industry need. The second series in NRA's video training library will be released this summer and will focus on back-of-the-house training. For more information and a brochure, contact NRA.

NRA continues to offer most of its seminars as in-house programs which can be tailored to your own operation. Contact NRA, for the "Seminars to Go" brochure.

Menu greats to be on display at the Show

Thirty outstanding menus were selected from a field of 600 in NRA's 1986 Great Menu Contest. The top three grand prize winners are Mamma Ilardo's, Baltimore, MD; El Torito Restaurant, Irvine, CA; and Lime Rickey's Restaurant, Concord, Ontario, Canada. Look for a feature article in the May ***NRA NEWS*** on the winners. Those of you going to the Show can view all 30 winning menus in the McWest exhibit hall.

During March, 196 foodservice operators and allied suppliers joined us as members of NRA. Welcome. Your participation in NRA will make your business grow and make your associaion more effective in its endeavors on your behalf. See you at the Show.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board

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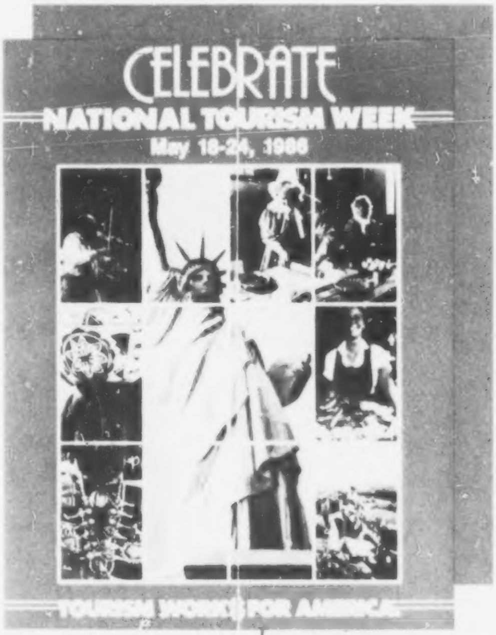
Cover photograph by Gary Landsman
Model's clothing courtesy of Linens of the Week

SHORT ORDERS

Tourism week May 18–24

To celebrate and promote the importance of tourism to the overall economy, May 18–24, 1986 has been designated National Tourism Week. Numerous travel and tourism industry organizations are planning programs which will increase consumer and government awareness that travel is good for the economy.

Restaurateurs can participate in a number of ways, ranging from special in-house promotions for tourists to obtaining promotional materials from industry organizations. For instance, the National Tour Association has produced a 19" x 25" four-color poster focusing on destinations across the country. Surrounding a striking picture of the Statue of Liberty are easily recognizable American scenes, such as a waitress serving a steaming platter of seafood in Baltimore and a chow scene out West.



To order the posters, contact Lisa Janis at the National Tour Association, (606) 253-1036. The posters are available at a wholesale cost of $125 for a package of 100.

NRA compiles statistical appendix to franchise restaurants

NRA has compiled an in-depth statistical appendix on the franchise restaurant industry, based on data from the U.S. Department of Commerce. Called *Franchise Restaurants: A Statistical Appendix to Foodservice Trends*, it summarizes information from 1969 to 1986.

The cost to NRA members is $12.50 (plus $2 shipping and handling). The cost to non-members is $25.00 (plus $2.50 shipping and handling). Residents of Washington, DC, must add a six percent sales tax, and Illinois residents must add seven percent. Chicago, IL, residents must add an additional one percent sales tax, bringing their sales tax total to eight percent.

To order, contact NRA, 311 First St., N.W., Washington, D.C. 20001 or call (800) 424-5156 or (202) 638-6100. *Payment must accompany all orders.* Credit card telephone orders are accepted. Please specify number CS207 when placing your order.

U.S. chefs win culinary award

A team of American chefs, including members of the 1984 U.S. Culinary "olympic" Team, recently won first place at the first Culinary World Cup competition in Luxembourg.

Seventeen countries competed, under the same criteria used at the International Culinary Competition, the "culinary olympics," held every four years in Frankfurt, Germany. The team had to prepare two hot menus for 100 diners as well as a cold buffet.

Other winners included Singapore, as a surprise second; France, in third place and Canada, in fourth place.

The World Cup Competition will be held every four years on even years between the "culinary olympics."

Two restaurants win energy awards

As part of the Department of Energy's (DOE) effort to discover and recognize outstanding achievements in energy innovation, it sponsors the National Awards Program for Energy Innovation. The program features state and national awards to honor energy innovators and a system of information exchange to publicize the winning projects.

Last year, 220 winning projects were selected from recommendations submitted by 47 state and territorial governments. Of this group, 27 projects qualified for special recognition awards. Two of these projects were restaurants: Eddie's Corner, a 3,360-square foot cafe, lounge and convenience store in Moore, MT, and the Zephyr Restaurant, part of a 12,000-square foot turn-of-the-century resort in Genoa, NV.

Eddie's Corner was recognized for its efforts in heat recovery through thermal amplification, and the Zephyr Restaurant was singled out for its use of geothermal fluids for space heating and hot water.

The 1986 awards program will begin soon. For more information about the program or a copy of the book describing all 220 winning projects for 1985, call Anita DeVine at (202) 252-1265.

WASHINGTON REPORT

The liability crisis

Zehnder, Coleman testify

NRA has stepped up its effort to educate members of Congress about the current crisis in liability insurance for the foodservice industry. NRA submitted testimony to three congressional committees during late February and early March, outlining the problems and some possible solutions.

NRA member William Zehnder testified before the Senate Small Business Committee on behalf of NRA. Zehnder is general manager of the Bavarian Inn in Frankenmuth, MI.

NRA member William Zehnder testifies before the Senate Small Business Committee.

Zehnder told the committee that his liability insurance had increased 636 percent in the last five years, from $5,429 to $39,947, despite the fact that he had never been named in a suit. "Even with our spotless record," he said, "we are victims of a tort system that is no longer serving the public interest."

Zehnder asked the committee to consider four major reforms to dram shop laws:

(1) Assignment of financial liability based upon the defendant's percentage of responsibility for an accident to end the "deep pocket syndrome."

(2) Reducing the statute of limitations for filing a suit.

(3) Providing advance notice to the defendant of intent to file suit by the plaintiffs.

(4) Placing dollar caps on a defendant's liability.

Also testifying before the Small Business Committee was NRA member Daniel Coleman, who owns two restaurants in Washington, DC. Coleman told the committee that his liquor liability insurance premiums had skyrocketed in recent years and expressed his dismay at the possibility of losing his livlihood because of the court system's unpredictability in liability suits.

Coleman also objected to the concept of server liability, saying, "I am the father of six small children and am violently opposed to drunk driving and the service of alcohol to minors. [But] I do not believe that law-abiding hosts, whether private or commercial, should be responsible for actions of people to whom they serve alcoholic beverages.

"This entire situation could be rectified," noted Coleman, "by revising the court system so that juries would not be allowed to make huge awards based . . . on the size of an insurance policy, or by specific local statutes that eliminate the liquor law liability."

NRA also submitted testimony to hearings before the Senate Commerce Committee and the House Ways and Means Committee that emphasized the need for tort reform to resolve the liability insurance crisis.

States address liability insurance problem

Across the country, business, consumers and state insurance commissioners are working together to solve problems posed by the unavailability of liability insurance. Because so many insurers have opted out of the liability market, many businesses have been forced to pay exorbitant premiums or simply "go bare" because affordable coverage is difficult or impossible to find.

Worried that both business and consumers are at risk because of the insurance coverage problem, many states have instituted new programs to address the problems created by the unavailability of liquor liability insurance.

Massachusetts was one of the first states to implement a liquor liability assistance program. Called a Joint Underwriting Association (JUA), this program provides liability insurance to licensed beverage servers who would otherwise be unable to obtain coverage.

The Massachusetts program is run by the licensed beverage establishments participating in JUA. The participants-collected premiums are used to pay any losses incurred in a lawsuit against a covered establishment. The premium amounts to five percent of a participant's annual liquor sales, and participants are responsible for any deficits JUA may incur.

Not all establishments are guaranteed coverage by the Massachusetts JUA. Applicants may be denied eligibility if they have previously lost their license or have a past record of repeated violations. As of Feb. 1, 315 of approximately 8,000 liquor license holders in Massachusetts had joined JUA.

An insurance assistance program run directly by the insurance industry and supervised by the state insurance commissioner has been instituted in *Pennsylvania*. Called a market assistance program (MAP), this is a voluntary effort by the insurance industry to find insurers for certain "risk" establishments that are experiencing problems obtaining liability insurance.

MAP handles all types of insurance but is not itself a carrier. MAP cannot guarantee placement with insurers and does not consider affordability of coverage.

North Carolina's insurance assistance program was created at a special legislative session called by the governor to address the crisis in insurance availability. Nearly 12,000 commercial policies were dropped by insurers between September and January in that state.

Under the North Carolina program, insurers can be ordered to provide hard-to-get coverage to operators. The state insurance commissioner can create risk-sharing plans for types of insurance that are inadequate or unavailable.

Several other states have joined in helping to solve the insurance crisis. *Indiana* has instituted a MAP program similar to the Pennsylvania program, and *Minnesota* has passed a dram shop reform law which creates an assigned risk and market assistance program.

The federal government is also attempting to make liability insurance more available to those who need coverage. Two bills that would make it easier to form collective purchasing and self-insurance groups for general liability coverage were recently introduced in the House and Senate.

H.R. 4301, introduced by Rep. Ron Wyden (D-OR) and S. 2129, sponsored by Sen. Robert Kasten (R-WI) would pre-empt state laws that restrict the organization of group captive insurance companies and the sale of insurance on a group basis. Currently, the federal government allows the creation of such groups to provide product liability insurance but not comprehensive general liability insurance. Rep. Wyden believes that this legislation will provide immediate relief for those affected by the crisis, while other solutions, such as the reform of tort law, are being debated.

D'Amato speaks at first NRA breakfast meeting

Sen. Alfonse D'Amato (R-NY) was the featured speaker at the first of NRA's new breakfast meeting series. The meetings, held at NRA headquarters on the first Thursday of each month, are designed to bring hospitality industry representatives together to discuss common concerns and to listen to a member of Congress or the executive branch discuss a key legislative or regulatory issue.

At the meeting, D'Amato spoke against the 80 percent limit that would be placed on business meal deductions by the House-approved tax reform bill calling it "a step in the wrong direction."

He said too many changes would be made in the tax code simply to satisfy the interests of individual members of Congress. The result would be a bill that hurts nearly every industry but was of little overall benefit to the economy, he maintained.

He was particularly concerned about the "chilling effect" current debate on tax reform has had on the financial markets and the business community. The fact that Congress cannot agree on an effective date for tax changes means businesses are delaying investment and expansion, he said.

The senator considers the deficit a much more pressing issue and was one of 50 senators who signed a letter calling on President Reagan to make deficit reduction, rather than tax reform, his number one priority.

D'Amato said the $144 billion deficit target established by Gramm-Rudman-Hollings was not that difficult to achieve, but admitted that Congress will probably fall about $15 billion short this year.

According to D'Amato, the additional $15 billion may have to come from a new tax or from a federal income tax amnesty plan that has received much attention on Capitol Hill.

D'Amato added that he was opposed to an oil import fee.

Tax reform battle continues

NRA continued its efforts last month to preserve full deductibility of food-related business entertainment expenses as the Senate Finance Committee moved a step closer to writing its own tax reform bill.

The House passed a tax reform measure (H.R. 3838) last December that would disallow 20 percent of the current deduction for business meals and food-related entertainment, including banquets, and meals for the business traveler.

The Senate Finance Committee has completed a draft plan that will serve as the starting point for writing the Senate bill. The details of draft, said to be similar to the House bill but closer to what President Reagan wants, had not been made public as this issue of **NRA NEWS** went to press.

However, there were reports that the treatment of business meals and entertainment would be very similar to what is included in the tax bill passed by the House.

The plan is also said to include a two-year extension of the Targeted Jobs Tax Credit and an increase in the federal excise tax on wine.

Committee markup of the bill is expected to take two months. Floor consideration could take just as long, since the Senate limits neither debate on legislation nor the number of amendments that may be offered on the floor. There is also a growing mood in the Senate that Congress should tackle the deficit problem before it approves major tax reform. The budget process, then, could push aside work on tax overhaul until late in the year.

State groups rally concern . . .

Meanwhile, NRA and state restaurant association officials have been meeting with key members of the Finance Committee to discuss restaurant concerns. Recent offices visited have included Sens. Daniel Patrick Moynihan (D-NY), William Armstrong (R-CO) and Charles Grassley (R-IA).

In addition, the Minnesota Hospitality Association has presented a petition to its two senators, Rudy Boschwitz (R) and Dave Durenberger (R), calling for the senators' support on the business meal issue. The petition has been signed by 1,300 Minnesota operators.

NRA continues to encourage members to write their senators on this issue. The concerted effort of the entire industry is needed to keep the business meal deduction at 100 percent.

—Jay Morris
Michelle Rabayda

1986 NRA SHOW

DON'T MISS THE BIGGEST RESTAURANT SHOW EVER

NRA
AISLE
3800 3900
NRA
AISLE
4000 4100

The 67th Annual NRA Restaurant, Hotel-Motel Show this spring will be more inviting than ever, with expansion into a second exhibition hall (McWest), the final tryouts in hot food competition for the U.S. Culinary Team, the NRA Wine Classic competition, plus a long roster of top speakers and star entertainment. Plan now to be in Chicago from Saturday, May 17, to Wednesday, May 21.

The addition of exhibition space in McWest will expand the show by 400 first-time exhibitors, bringing the total to more than 1,600. McWest also will be home to the 16th Annual NRA Culinary Arts Salon as well as the new NRA Competition Kitchen, where scores of chefs from across the country will participate in the hot food competition that will award a place on the 1988 U.S. Culinary Team to the winners.

Back by popular demand is the second annual NRA Wine Classic. Once again a prestigious panel of professional wine judges will taste and judge hundreds of American wines from three varietal classifications—Sauvignon Blanc, Seyval Blanc and two kinds of Zinfandel. You can watch the judging and taste some of the wines.

And there is plenty more to look forward to. If you want to know about how the right and left brains work, how to combat drug abuse in the workplace or what you can do about liability insurance, you will want to attend the NRA Theatre series.

In addition, 20 management clinics will be presented on Monday, May 19, and Tuesday, May 20. Emphasizing basic information, these hour-and-a-half presentations by leading management experts will cover timely topics, such as how to cure a sick restaurant and how to develop human resources.

For more in-depth information on basic foodservice topics, don't miss the one and two day executive seminars on Saturday, May 17, and Sunday, May 18.

NRA's leaders will be in the spotlight along with national celebrities. During the opening program on Sunday, May 18, NRA President Ted Balestreri will recap his year in office. He will be followed by a major political figure. The following day, at the annual membership meeting, next year's NRA officers will be elected and famed Chicago Bears Coach Mike Ditka will inspire us all.

To get the Show off to an energetic start on Sunday, hundreds of show attendees will want to run in The Main Course, Chicago's "most hospitable" 10-kilometer race. And for later breaks from the learning, talking and tasting there will be the Convention Capers. This year the stars are the Count Basie Orchestra, Sunday night, and rock and roll greats Gary Lewis and The Playboys, Freddy Cannon, and Dennis Yost and the Classics IV, Monday night. Ever popular is the Grand Banquet, which will feature famed country singer Mickey Gilley and comedian Steve Landesberg during Tuesday night's tribute to the new NRA president and chairman of the board.

So plan now to be among the more than 93,000 foodservice professionals from 75 countries who will come to the NRA Show this year.

McWEST ADDS 400 NEW EXHIBITORS

The exhibition space is expanding. In addition to three floors at McCormick Place, this year's Show is getting extra space in the new McWest exhibition hall. Although the NRA Show is already the world's largest foodservice and lodging exhibition, expansion into McWest will provide space for one-third more exhibitors.

"This year's move into McWest will make this year's show the most exciting ever," predicts NRA President Ted Balestreri. He is also pleased by the increase in the number of European exhibitors. "We see more and more Europeans bringing the finest products of their countries," he comments, adding that almost all of them are doubling the size of their exhibits of fine silver, china and glassware. "They're rediscovering America 200 years later!" he quips.

Anyone looking for new industry products and trends will find them at McWest, where 400 first-time exhibitors will showcase their products and services. When visiting

McWest, all Show registrants will have an opportunity to visit booth W550. Here you can redeem the coupon you will receive at registration and pick up a free commemorative gift.

Another new feature at McWest will be "super suites," a floor of special meeting areas that will be used by exhibitors and others to hold business meetings, interviews and conversations with Show attendees. The "super suites" will be adjacent to the McWest exhibition area.

And don't miss the chance to see the winners in this year's Great Menu Contest.

To make sure you will have extra time to see McWest, it will open one hour earlier than McCormick Place—at 9 a.m. instead of the usual 10 a.m.—on all days except Sunday, when both halls open at 10:30 a.m. Complimentary shuttlebus service will be provided from Chicago's hotels to McWest and McCormick Place, making the new facility a convenient extension of this biggest ever NRA Show.

MEMBERS OF CONGRESS WILL ATTEND POLITICAL FUND-RAISER

Rich Little

Fifteen leading members of the Senate and the House of Representatives will attend this year's Political Education Fund Gala Dinner. Marking the beginning of the NRA Show, this important event will take place Saturday evening, May 17, at the Chicago Marriott, beginning with a 6:45 p.m. reception.

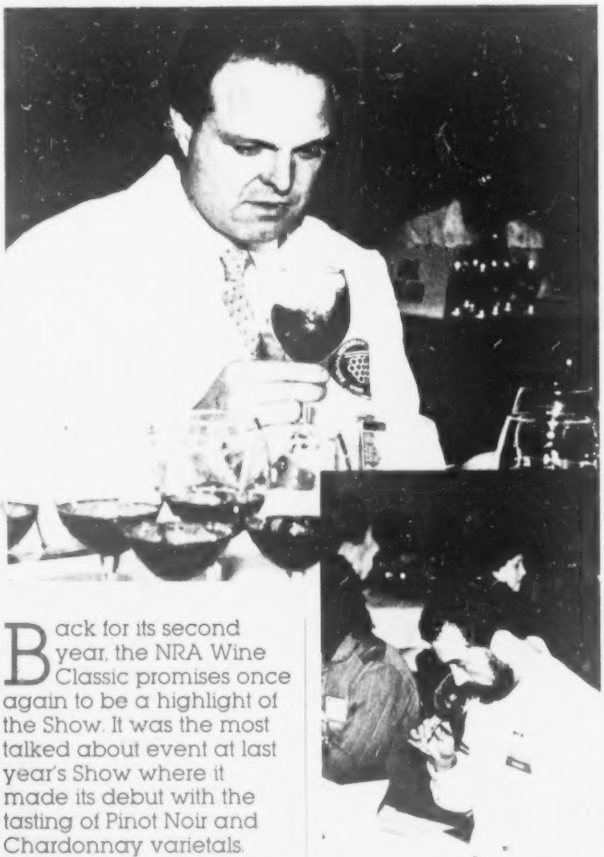
This benefit will culminate fund-raising activities in 1985–86 for NRA's Political Education Fund. The dinner with top name entertainer Rich Little is the prime event of the year and gives restaurateurs and key suppliers to the hospitality industry an opportunity to meet informally with distinguished lawmakers. The event is designed so that the entire hospitality industry can express its appreciation to special NRA political activity sponsors and donors.

The fund-raising goal of NRA's Political Education Fund for this year is $285,000. The proceeds are used to provide honoraria to members of Congress who speak at industry affairs and to publish reference guides to NRA government affairs activities.

Tickets to the gala dinner cost $250 per person. Special sponsorships—covering a table for eight with preferred seating—are available for $7,500. Donor contributions are $2,500.

For further information about this event or the political education fund, call Tom Kelley at NRA headquarters in Washington, DC, (800) 424-5156.

NRA WINE CLASSIC RETURNS



Back for its second year, the NRA Wine Classic promises once again to be a highlight of the Show. It was the most talked about event at last year's Show where it made its debut with the tasting of Pinot Noir and Chardonnay varietals.

This year the NRA Wine Classic will feature Sauvingnon Blanc, Seyval Blanc and two kinds of Zinfandel. Sauvingnon Blanc is a Bordeaux-style white table wine grown largely in California. Seyval Blanc is a widely grown French-American white hybrid and a favorite of East coast wineries. Zinfandel is a claret-style red wine produced mainly in California; and the new Zinfandel blush, a pink wine with a hint of bubbles, is one of the fastest growing wines in America.

All the wines are produced in America and available for commercial sale. Some of the foremost wine judges in the country will test the merit of more than 350 types of these varietals.

In a specially-constructed, glass-enclosed judging area in the Chicago Room of McCormick Place, a panel of blue-ribbon judges will put each entry through at least one blind test. Wines passing the first retain/reject test will go on to as many as three taste tests before winners are selected for bronze, silver and gold medals. All gold medal winners will be eligible for the "best of the show" wine consideration.

NRA Show attendees will be able to view the judges at work on Monday and Tuesday, May 19 and 20, from 11:00 a.m. to 5:00 p.m. Guides will explain the testing procedures and provide information about the wine industry. An educational video will feature wine experts' tips on wine tasting. Then, in a special tasting area, attendees can sip and compare the same wines being evaluated by the judges.

TOP CHEFS ATTEND SHOW'S CULINARY COMPETITIONS

Six specially constructed, glass-enclosed kitchens and a pastry shop will be created on the street level of McWest to house the final competition for the 1988 U.S. Culinary Team. Here, finalists from five regional cold food competitions will compete in the last and most difficult stage of selection, the prestigious hot food competition. The event will culminate with the announcement of the members of the 1988 U.S. Culinary Team at a special awards program on Wednesday, May 21.

The kitchens will be designed to duplicate the working environment of Europe's "culinary olympics," held every four years in Frankfurt, Germany. Candidates will be given a mystery box of selected foods and directed to prepare a three or four-course meal for 22 diners. Some of the ingredients will be incompatible, but the chef will not have to use them all, explains Ferdinand Metz, president of the Culinary Institute of America and chairman of the American Culinary Federation (ACF).

"Sometimes there won't be enough meat or seafood for 22. This will force the chef to combine ingredients and come up with new recipes. Or a chef may reject the asparagus as not of sufficient quality," Metz explains. Each chef must prepare at least three courses but may create as many as five. "With more courses, there is less time for each one so it's risky," Baron Galand, ACF President, points out. "But the chef can get more points." 40 points is a perfect score, and gold-medal winners will usually score between 36 and 40 points. It is only these high scorers who will be eligible for consideration for the 1988 U.S. Culinary Team.

Each chef will have about four hours to prepare his or her meal, and all the competitors in the same time period will receive the same ingredients. They will be scored on four criteria: composition, preparation, presentation and difficulty. But polished culinary skills alone will not guarantee a place on the Team. Candidates also will be judged on the neatness of their workplace, their ability to function under pressure and their skills in making last-minute decisions—qualities that can spell the difference between success or failure in Frankfurt.

The ACF Culinary Committee will select the team of 12 chefs and three pastry chefs from the highest ranking finalists. A group of 12 apprentices also will be selected. In addition to Galand and Metz, the judges will include Richard Schneider, captain of the 1984 U.S. Culinary Team; Herman Rusch from the famed Greenbriar resort; Casey Sinkeldam, gold-medal winning pastry chef formerly with Sara Lee; and Roland Schieffer, senior new product development chef at H.J. Heinz.

The five cold food tryouts leading up to the hot food competition will be held around the country between March and the May NRA Show. The same group of judges will rank the chefs who enter each cold food competition and will select about 30 winners to be finalists in Chicago. Although many of the members of the 1984 U.S. Culinary Team will compete again this year, "it's really an open ball game," he adds.

In addition to viewing the chefs at work, NRA Show attendees will have the opportunity this year to sample the meals prepared by these master chefs in a dining room adjacent to the competition kitchens. For donations of at least $10 per person to the 1988 U.S. Culinary Team Foundation, groups of up to four people will be able to taste these creations.

Eminent chefs and recognized professionals will judge the hundreds of entries and select winners. Winners will be honored on Sunday, May 18, at an awards ceremony at 11:30 a.m. at McCormick Place, to be followed by the awards ceremony at noon. All the entries will be on display for three days—Sunday from 10:30 a.m. to 6 p.m., and Monday and Tuesday 9 a.m. to 4:30 p.m.

16TH NRA CULINARY ARTS SALON

Just downstairs from this new hot food competition, on the concourse level of McWest, the annual NRA Culinary Arts Salon will mark its 16th birthday with a three-day exhibition of the finest pastry, buffet and cold food displays. This event has been called "the largest cold food culinary competition of its kind in the U.S. and the place to see the state-of-the-art in contemporary American cuisine" by Richard Schneider, captain of the 1984 U.S. Culinary Team. More than 200 trendsetting chefs and top apprentices trying their culinary wings will meet in Chicago to display their masterpieces.

The hot food competition will begin in the McWest exhibition hall, Saturday, May 17, and finish on Tuesday, May 20. The chefs at work can be viewed between 9:30 a.m. and 3:00 p.m. on Saturday; 10:30 a.m. to 3 p.m. on Sunday; and 9 a.m. to 3:00 p.m. on Monday and Tuesday. For additional information on how to sample the chefs' meals, contact Al Natker, project manager for the tryouts, NRA, 150 N. Michigan Ave., Chicago, IL 60601; (312) 853-2525.

BALESTRERI WILL HIGHLIGHT YEAR'S EVENTS AT OPENING SESSION

NRA Chairman of the Board and President Ted J. Balestreri will open the 1986 NRA Show with a rousing speech on Sunday, May 18, at 2 p.m. in the Arie Crown Theatre of McCormick Place. In his inimitable style, Balestreri will recall the high points of his year, the battles confronting the foodservice industry and the key issues of importance to restaurateurs everywhere.

In reviewing the year's accomplishments, Balestreri will emphasize that the foodservice industry has become a tremendous force in this country. "The restaurant industry is no longer a mom-and-pop business," he comments. "It's a $186 billion industry. Major multiunit organizations are increasingly realizing the value of the foodservice business and entering it."

But with growth comes social and political difficulties, Balestreri points out. NRA's task increasingly has been to build its government relations program in order to foster good legislation and to fight measures harmful to the foodservice industry. As examples of NRA's involvement, he points to NRA's battle against tax changes related to business meal deductions and against legislation to require ingredient labelling for fast food products.

Balestreri will also point to the expansion of NRA's conference and seminar offerings and the growth of its media relations program as key achievements during this past year. And he plans a spe-

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CHICAGO BEARS COACH MIKE DITKA TO ADDRESS MEMBERSHIP MEETING

Super Bowl champ coach Mike Ditka of the Chicago Bears will highlight this year's membership meeting.

The annual meeting will take place on Monday, May 19, at 2:15 p.m. in the Drury Lane Theatre of McCormick Place. It will begin with a general election to select new NRA officers for the year 1986–87. Outgoing NRA President and Chairman of the Board Ted J. Balestreri will then introduce his successor, as well as NRA's new vice president and treasurer.

The NRA Board has nominated G. "Jim" Hasslocher, president and chairman of the board of Frontier Enterprises in San Antonio, TX, to be the new NRA chairman of the board and president for the year beginning May 19. Michael J. Grisanti, president of Casa Grisanti Inc., in Louisville, KY, has been nominated to be NRA's new vice president. Jim L. Peterson, president of Whataburger Inc., Corpus Christi, TX, is slated to become NRA's next treasurer.

Michael J. Grisanti (left) and G. "Jim" Hasslocher

Following the election, football great Mike Ditka will tell the NRA membership what he and his team had to do to become Super Bowl champs. No newcomer to football, Ditka played tight end for the Bears in the 1960s and was a member of the championship Bears team in 1963. Before becoming Bears coach in 1982, he served as assistant coach for the Dallas Cowboys.

Just named Coach of the Year and inducted into the College Football Hall of Fame, Ditka is often described as funny, irreverent and brilliant. This is a great chance for all NRA Show attendees to see what the real Mike Ditka is like and how he used ACE (attitude, character and enthusiasm) to bring the Bears to victory in New Orleans.

cial focus on "the unsung heroes on the NRA Board of Directors—industry leaders who have given nine or 10 years of their lives to this association.

This year's NRA president will conclude with praise for the restaurant industry. "If a restaurant fails, the owner takes all the hardship and the loss himself," comments Balestreri. "He never asks the federal government for assistance. We are some of the most competitive businesspeople in the world," he says—"and true entrepreneurs."

SPECIAL AIRFARE SAVINGS

Delta Airlines and United Airlines once again have been designated official carriers for the 1986 NRA Show. They guarantee the lowest fares possible from any city they serve. Call toll-free today for information and reservations: for Delta, call 1-800-241-6760 and refer to NRA file D0078; for United, call 1-800-521-4041 and mention NRA account 610K.

EARN CREDITS

The American Dietetic Association will award continuing education credits for many educational programs offered at the NRA Show.

TAKE IT HOME

You can purchase modestly priced audio cassettes of approximately 25 of this year's education programs at the information booth in the Management Clinic area. In addition, about 80 of the best tapes from past NRA Shows will also be available.

3,000 WILL COMPETE IN NRA'S "MAIN COURSE"

Now in its 6th year, "The Main Course," Chicago's biggest 10-kilometer race and a tradition of the NRA Show, is expected to attract 3,000 runners and more than 1,500 spectators. This popular event, which has come to be known as the foodservice industry's "most hospitable race" and is a symbol of the industry's commitment to health and fitness, will take place along Chicago's beautiful lakefront. The starting time is set for 8 a.m. on Sunday, May 18, at Buckingham Fountain.

Runners will proceed east from the fountain along Lake Shore Drive. They will circle Adler Planetarium and McCormick Place and McWest, continuing north through the Prairie Avenue historic district. Next, they will proceed down Michigan Avenue to Congress Parkway and the finish line at Buckingham Fountain.

The "Main Course" gains its reputation for hospitality from the drinks, snacks and relaxing ambiance created for runners and their families. These special treats will be provided by this year's sponsors, including Coca-Cola USA; Dole Processed Foods; Miller Brewing Co.; Pepsi-Cola Co., Inc.; Sunkist Soft Drinks and Tysons Foods, Inc.

Trophies will be awarded to the first place man and woman runners as well as to the top three men and women in each of 21 categories. In addition, all runners will receive the great souvenirs that have become a hallmark of "The Main Course": colorful T-shirts donated by NRA and running gear contributed by the race's main sponsors.

Race finishers also are eligible for the famed "You-Don't-Have-To-Win-To-Win," program—a random drawing offering runners a chance to win a grand prize trip to Hawaii for two plus dinners for two at top Chicago restaurants and hotels.

The fee for competing in The Main Course is $7.95. For race applications, contact Marge Whalen, NRA race director, 150 N. Michigan Ave., Suite 2000, Chicago, IL 60601, (312) 853-2525.

THE MAIN COURSE 10K RACE
A MOST HOSPITABLE RACE
SPONSORED BY THE NATIONAL RESTAURANT ASSOCIATION
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TOP NAMES TO ENTERTAIN, EDUCATE IN THEATRE SERIES

An entertaining and informative lineup of experts, authors, management consultants and foodservice professionals will provide insights and tips for improving your business in the NRA Theatre Series, to be held in Theatres 1, 2 and 3 at McCormick Place on Monday, May 19, and Tuesday, May 20.

Monday programs

Realize your potential with **Joseph J. Charbonneau**, president of The Performance Group, a highly-respected human development and training company. Charbonneau is one of the most sought-after speakers in the country and will offer thought-provoking ideas designed to improve your company's image in the community, your ability to communicate with employees and customers and your skills to motivate others. His presentation will take place Monday at 10:30 a.m.

Dr. Terrance Deal

Joseph J. Charbonneau

What makes companies tick? Find out on Monday at 10:30 a.m. from **Dr. Terrance Deal**, author of *Corporate Cultures: The Rites and Rituals of Corporate Life*. This professor of education at the Peabody College of Vanderbilt University will present a unique perspective on the role of myth, ritual, ceremony and symbols in organizational settings.

Fight drug abuse. A highly informative special three-hour session on "Drug Abuse in the Workplace" will be presented by **Joseph H. Lodge**, ex-special agent for the Drug Enforcement Administration. President of Corporate Security Advisors, Inc., a Miami-based firm specializing in drug abuse prevention services for industry, he has found that drug abuse at the workplace is as common as the coffee break. On Monday at 10:30 a.m., Lodge will not only present startling facts and figures but will also suggest ways companies can solve the problem.

Tuesday programs

Use your brain. If you have ever wondered why you might be good with people but terrible at math, **Dr. Ned Herrmann**, chairman of The Whole Brain Corporation and a pioneer in left and right side of the brain research, will tell you. In "The Creative Brain," a multi-media presentation designed to involve the audience, Herrmann examines the four areas of the brain and their relationship to tasks, such as doing a math problem, planning a schedule, listening to music or creating a new invention. Herrmann also will prepare individual profiles for attendees of this program on Tuesday at 10:30 a.m.

Protect yourself. Learn how to protect your assets from **Dr. Tony Marshall**, attorney and Dean of Florida International University's School of Hospitality Management. In a dynamic session, this nationally recognized expert on risk management and hospitality law will pinpoint legal areas that have cost restaurateurs their shirts. Marshall will explain the reasons for skyrocketing insurance premiums, will present a four-point proposal to deal with the increases and then will detail specifics you can im-

Dr. Tony Marshall

plement immediately to survive. Learn how to protect yourself against lawsuits on Tuesday at 10:30 a.m.

The legends. Some of the great independent operators—including **Anthony Athanas** and **Jerry Berns**—will share their secrets for success on Tuesday at 10:30 a.m.

Leadership tips. Learn how to relieve the tension from a recognized specialist in the field of leadership services—**James F. Bracher** of Dimension Five Consultants. On Tuesday at 1:30 p.m., he will present his philosophy for dealing with the four basic challenges for the hospitality industry: quality, service, cleanliness and perceived value.

James F. Bracher

All about the liability crisis. To follow up on the presentation by Dr. Tony Marshall, a panel of experts moderated by **Dr. Andy Divine**, director of the Hotel and Restaurant program at Penn State University, will address all aspects of the ominous liability question—from liquor liability and insurance availability to legal challenges and reforms. Panelists will include Richard May of Gilbert/Robinson and Tom McCabe of Tom Foolery's, among others. Join them on Tuesday at 1:30 p.m.

Mike Hurst and Dennis Berkowitz, two of the top communicators in the foodservice industry, will hold a special three-hour, nonstop, give-and-take workshop on that basic of all basics: food, including trends, preparation, merchandising and serving. Six separate, lively, 15-minute presentations will be interspersed with equal amounts of time for questions. Block off 1:30 p.m. to 4:30 p.m. on Tuesday, May 20, if you want to participate.

Michael Hurst

Dennis Berkowitz

MANAGEMENT CLINICS DISCUSS NEW OPPORTUNITIES

Twenty topical management clinic sessions will be presented on the lobby level of McCormick Place. The sessions will run one and one-half hours each and will take place during five different time periods: Monday morning, Monday afternoon, Tuesday morning, Tuesday afternoon and Wednesday morning. Here is just a sampling of the extensive lineup:

Monday programs

The bottom line. Julia Stewart, director of marketing for Stuart Anderson's Black Angus Restaurants, will offer a lively marketing presentation centered around planning for profit. She will illustrate her simple yet effective method of charting future profits—a plan every operator can and should have. Monday at 10:30 a.m.

A reviewer's checklist. Harold V. Shumacher, restaurant reviewer and author of several restaurant guides to Atlanta, will show you how to look at your foodservice operation through the customer's—and reviewer's—eyes. In his presentation, Shumacher will pinpoint the six warning signs of a bad restaurant, suggest ways to train your staff to improve sales, lower food costs and develop a comprehensive management plan; and, last but by no means least, discuss ways to fight back if you get a bad review. Monday at 10:30 a.m.

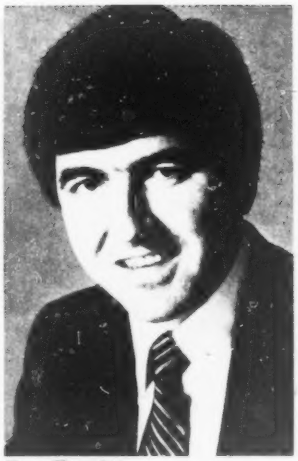
CHART programs. Always well-received, the Council of Hotel and Restaurant Trainers (CHART) will again offer a series of five practical workshops on developing and utilizing the industry's most important asset—human resources. The first program will take place Monday at 10:30 a.m.

Julia Stewart

CHRIE chronicles. Back by popular demand, the Council on Hotel, Restaurant and Institutional Education will examine new educational research pertaining to foodservice. Monday at 2:00 p.m. Led by Mike Olson.

Keep it fresh. Learn all about food irradiation technology. This new food processing technology holds the promise of improving the world's food supply by keeping fresh fruits and vegetables fresher, longer. Irradiation is now set to move into broad commercial use, and you will want to know everything about it. Mon-

Harold V. Schumacher



Don Shapiro

Dr. Donald L. Kirkpatrick

day at 2:00 p.m. with Sharon Bomer, chairman of the coalition for food irradiation.

Tuesday programs

Manage change. Dr. Donald L. Kirkpatrick of the University of Wisconsin will reveal all the whys and wherefores of managing change effectively. Author of six books, including his latest on *How To Manage Change Effectively*, he knows the subject well. Tuesday at 10:30 a.m.

Foodservice equipment. A panel featuring representatives from the National Sanitation Foundation, the Underwriters Laboratory and the American Gas Association will attempt to answer questions, concerns and confusions on third-party certification, standards and approval of foodservice equipment. Tuesday at 10:30 a.m.

Meal deliveries. Find out all about the latest restaurant trend—"Delivery: Sending it Home." Not to be confused with take-out or catering, this new trend of delivering restaurant meals direct to the home will be discussed by a panel of experts. Tuesday at 10:30 a.m.

How the customer sees you. Don Shapiro, president of First Concepts Development Corp., will discuss "Restaurant Marketing Through the Eyes of the Customer." With a combined background in operations, marketing and development, Shapiro is fast becoming a leading authority on competitive strategy and concept development. He is an expert in identifying what really influences people's buying decisions and restaurant choices. Tuesday at 2:00 p.m.

What's the matter with kids today? If you don't understand why the students coming out of HRI schools today are not like you were, join Dr. Pete Stevens of the Michigan State University HRI program to learn how to deal with, supervise and motivate younger employees. Tuesday at 2:00 p.m.

The wonders of wine. Learn about wine selection, purchasing, serving, storing and tasting from an expert. Kevin Zraly, world-famous wine expert and author of the best-selling Windows on the World Complete Wine Course will discuss "making wine simple" on Wednesday, May 21, at 10:30 a.m.

LUNCHEON FOR HENNESSY WINNERS

Winners of the coveted Air Force Hennessy Awards will be honored at the annual Hennessy Awards luncheon, Saturday, May 17, in the Regency Ballroom of the Hyatt Regency, Chicago, beginning at 11:30 a.m. Air Force bases around the world compete for two traveling tropies, each one a 34-inch Revere sterling silver bowl awarded for excellence in the management, preparation and service of food to their personnel. One trophy goes to the most deserving Air Force base with a single dining hall, while the other is awarded to a base with multiple dining halls.

The keynote speaker at the luncheon will be General Earl P. O'Loughlin, commander of the air logistics command at Wright-Patterson Air Force Base in Ohio. Tickets for the luncheon are $35 and are available through Ruth Tracy, Hennessy program coordinator, NRA, 311 First St., N.W., Washington, DC 20001; (202) 638-6100 or (800) 424-5156.

FIRST LADIES LUNCHEON

The First Ladies Luncheon will again honor all NRA first ladies, with special attention going this year to Velma Balestreri, the wife of NRA President Ted J. Balestreri. A hit for the past three years with the wives of NRA Board members and other women in the industry, this special event will feature as keynote speaker a celebrated woman recognized as a leader in her field.

The First Ladies Luncheon will be held at the Chicago Marriott on Monday, May 19, at 11:30 a.m. Tickets are $25.00 and can be purchased from Philip Kralovec, NRA, 150 N. Michigan Ave., Suite 2000, Chicago, IL 60601; (312) 853-2525.

NRA

SATURDAY, MAY 17

9:00 a.m.–5:00 p.m.
One-day seminars with one-hour lunch break:

- Basic supervision in foodservice
- Kitchen management
- Tools for training
- Introduction to computers in foodservice
- Menu development

Two-day seminars (run Saturday & Sunday):

- Beverage management
- Planning and implementing restaurant marketing strategy
- Restaurant design and facilities planning
- Negotiating for and financing foodservice facilities
- Off-premises catering

9:30 a.m.–5:30 p.m.
Dealer/supplier press preview of exposition, McCormick Place & McWest

9:30 a.m.–3:00 p.m.
Hot Food Competition at NRA Competition Kitchen, McWest, street level

11:30 a.m.
Hennessy Awards luncheon, Regency Ballroom, Hyatt Regency Chicago (ticketed event)

5:00 p.m.–6:10 p.m.
R-TV on your hotel television

6:45 p.m.
Second Annual Political Education Fund Gala Dinner-Dance, Chicago Marriott

10:30 p.m.
R-TV on your hotel television

SUNDAY, MAY 18

7:00 a.m.
R-TV on your hotel television

8:00 a.m.
"The Main Course" race, starting at Buckingham Fountain

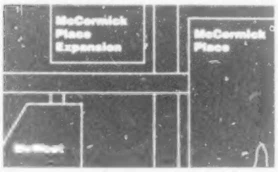
SHOW SCHEDULE

8:10 a.m.
R-TV on your hotel television

9:00 a.m.–5:00 p.m.
Seminars with one-hour lunch break:
- Dining room management
- Business dynamics for women in foodservice
- Applications for computers in foodservice: integrating the system
- People-power & profits: how to hire and manage for success
- Foodservice operators' legal workshop

Second day of two-day seminars:
- Beverage management
- Planning and implementing restaurant marketing strategy
- Restaurant design and facilities planning
- Negotiating for and financing foodservice facilities
- Off-premises catering

10:30 a.m.–6:00 p.m.
Exposition open—McCormick Place and McWest
- Viewing for NRA Culinary Arts Salon, concourse level, McWest



- Viewing of Hot Food Competition, NRA Competition Kitchen, street level, McWest (until 3:00 p.m.)

11:30 a.m.
NRA Culinary Arts Salon awards ceremony

1:00 p.m.
NRA Wine Classic opens (Chicago Room)

2:00 p.m.
Opening day program
Arie Crown Theatre, McCormick Place
- *Welcoming address:* NRA President Ted J. Balestreri
- *Keynote speech*

4:00 p.m. / 5:10 p.m.
R-TV on your hotel television

9:00 p.m.–1:00 a.m.
Convention Capers, Grand Ballroom, Hyatt Regency Chicago, Count Basie Orchestra

10:30 p.m.
R-TV on your hotel television

MONDAY, MAY 19

7:00 a.m.–8:10 a.m.
R-TV on your hotel television

9:00 a.m.–4:30 p.m.
Exposition open, McWest
- NRA Culinary Arts Salon, McWest, concourse level
- Hot Food Competition, NRA Competition Kitchen, McWest, streel level (until 3:00 p.m.)

10:00 a.m.–5:30 p.m.
Exposition open, McCormick Place

10:30 a.m.–noon
NRA Theatre Series, McCormick Place
- Realize your potential, Joseph J. Charbonneau
- What makes companies tick, Dr. Terrance Deal
- Drug abuse in the workplace, Joseph H. Lodge (until 1:30 p.m.)

Management Clinics, McCormick Place
- Harold V. Shumacher, restaurant reviewer, author, consultant
- Charting future profits, Julia Stewart
- CHART (Council of Hotel & Restaurant Trainers) presentation
- Finances for Independents, Dr. Ron Cox

11:00 a.m.–5:00 p.m.
NRA Wine Classic, Chicago Room, McCormick Place

11:30 a.m.
First Ladies Luncheon, Chicago Marriott Hotel (ticketed event)

2:00 p.m.–3:30 p.m.
Management Clinics, McCormick Place
- CHRIE (Council on Hotel, Restaurant & Institutional Education)—new educational research for foodservice, Dr. Mike Olson
- Food irradiation
- CHART program

2:30 p.m.
Annual NRA membership meeting, Drury Lane Theatre, McCormick Place
- *Election of officers*
- *Speaker:* Mike Ditka, coach of the Chicago Bears

4:00 p.m. / 5:10 p.m.
R-TV on your hotel television

9:00 p.m.–1:00 a.m.
Convention Capers, Grand Ballroom, Chicago Marriott
- Gary Lewis & the Playboys
- Freddie Cannon, Dennis Yost & The Classics IV

10:30 p.m.
R-TV on your hotel television

TUESDAY, MAY 20

7:00 a.m. / 8:10 a.m.
R-TV on your hotel television

9:00 a.m.–4:30 p.m.
Exposition open, McWest
- NRA Culinary Arts Salon, concourse level, McWest
- Hot Food Competition, NRA Competition Kitchen, street level, McWest (to 3:00 p.m.)

10:00 a.m.–5:30 p.m.
Exposition open, McCormick Place

10:30 a.m.–noon
NRA Theatre Series, McCormick Place
- How to protect your assets, Dr. Tony Marshall
- The creative brain, Dr. Ned Herrmann
- The legends, Anthony Athanis & Jerry Berns

Management Clinics, McCormick Place
- CHART program
- Third party certification
- Delivery: sending it home
- foodservice equipment
- Managing change effectively, Dr. Donald Kirkpatrick

11:00 a.m.–5:00 p.m.
NRA Wine Classic, Chicago Room, McCormick Place

1:30 p.m.–3:30 p.m.
NRA Theatre Series, McCormick Place
- Mike Hurst & Dennis Berkowitz on food (to 4:30 p.m.)
- Leadership tips, James F. Bracher
- Panel on the liability crisis

2:00 p.m.–3:30 p.m.
Management Clinics
- CHART program
- How the customer sees you, Don Shapiro
- What's the matter with kids today?, Dr. Pete Stevens

4:00 p.m. / 5:10 p.m.
R-TV on your hotel television

7:00 p.m.
NRA Grand Banquet and Show, Hyatt Regency Chicago Grand Ballroom (ticketed event)
- Mickey Gilley & The Urban Cowboy Band
- Steve Landesberg

10:30 p.m.
R-TV on your hotel television

WEDNESDAY, MAY 21

9:00 a.m.–3:00 p.m.
Exposition open, McWest

10:00 a.m.–3:00 p.m.
Exposition open, McCormick Place

10:30 a.m.-noon
Management Clinics
- CHART program
- The wonders of wine, Kevin Zraly

Noon
Special awards presentation: hot food competition winners, winners of the NRA Wine Classic

SHARPEN YOUR SKILLS WITH HARD-HITTING EDUCATIONAL SEMINARS

Practical sessions designed to sharpen the skills of both novice and seasoned foodservice personnel will be featured at 10 one-day seminars and five two-day seminars. Ranging from management and training to restaurant design and catering, the sessions aim to help attendees gain the knowledge and expertise necessary to reach the top in the foodservice industry.

The seminars will take place Saturday, May 17, and Sunday, May 18, on the lobby level of McCormick Place. Check-in is at 8:00 a.m. the morning the seminar begins. Fees range from $115 to $185 for one-day sessions and from $325 to $395 for two-day programs. Discounts for multiple attendees from the same company are available for food production and food management courses.

For additional information, contact NRA Education Programs Department, 311 First Street, N.W., Washington, DC 20001; (202) 638-6100 or (800) 424-5156.

One-day seminars Saturday, May 17

Basic supervision in foodservice. Designed for entry-level managers, captains and foodservice supervisors. This day-long course led by instructor Jack Miller will fine-tune your management, communications and motivation skills.

Kitchen management. When it comes to an efficient kitchen, top-notch management skills are as important as the chef's culinary talents. This seminar taught by instructor Eddie O'Hare will present money-saving techniques for improving efficiency and productivity in the back of the house.

Tools for training. Instructor Gen LaGreca teaches you how to set up a workable training program to ensure proper training at every level of your operation. You will receive a handbook and instructional materials that can be modified for use with your own employees.

Introduction to computers in foodservice. Are computers right for your operation? Instructor Michael Speer, CPA and management consultant, will help you cut through sales jargon to determine if computerization will be a blessing or a boondoggle for you.

Menu development. Instructor John Gruner will show you how to make the most of your menu, your number one sales and marketing tool. Come with your own menu and problems.

Sunday, May 18

Dining room management. This course takes front-of-the-house managers through the basics. Instructor Michael Parise will discuss basic management skills, such as how to get the most out of staff, increase sales and deal with guests.

Business dynamics for women in foodservice. Instructor Dianne Davis will show attendees how to break through traditional barriers to take full advantage of their management potential and expertise. You will learn how to target your career and capitalize on the expanding foodservice industry and how to turn negatives into advantages.

Applications for computers in foodservice: integrating the system. Find out what your computer should be doing for you. Instructor Michael Kasavana will explore the untapped resources of your current system and how they can boost profits and improve customer service.

People-power & profits: how to hire and manage for success. Instructor Ted Thelander shows you how to reduce turnover by hiring the right people in the first place. He will look at your personal leadership skills and explore creative ways for developing and maintaining a motivating work environment.

Foodservice operators' legal workshop. NRA Legal Counsel Robert Alan Palmer will give attendees answers to legal questions before they become problems. Topics for discussion include hourly vs. salaried wages, sexual harassment, AIDS, liquor liability insurance rates and illegal aliens. Bring your own questions.

Two-day seminars: May 17 and 18

Beverage management. If you are concerned about tough new liability laws and other pressures that threaten a profitable beverage operation, you will want the latest information on the bar business from instructor Brian Rea. The course will teach you how to increase beverage sales, reach new markets, build exciting merchandising programs and improve controls.

Planning and implementing restaurant marketing strategy. Learn to analyze your weaknesses and capitalize on your marketing strengths from instructor Tom Feltenstein. He will explore the basics of advertising, promotion, public relations, merchandising research and neighborhood marketing.

Restaurant design and facilities planning. If you are involved in remodeling, expansion or new unit construction, find out from instructor Jack McCabe how to ensure that what you want is what you get. Learn how to avoid costly mistakes.

Negotiating for, and financing foodservice facilities. Master the 101 steps necessary to negotiate and finance a new operation. Instructor David Sher will cover the topic from real estate and capital investments to dealing with financial institutions.

Off-premises catering. If you want to know more about one of the fastest growing segments of the foodservice industry, instructor Jay Treadwell, general manager of Ridgewell's Caterer, will analyze the growing number of catering options, the basics of catering management, how to attract customers and the special logistics of transporting the catered affair.

PUT ON YOUR DANCING SHOES FOR THE CAPERS

Even if you have been attending seminars and scouring the exhibit halls for new products, you won't want to call it a day at 9 p.m. That's when the music gets hot at the ever-popular Convention Capers, two nights (May 18 and May 19) of star-studded entertainment that are free to all Show participants. All you need is an NRA badge to join in the fun.

If you want to dance to "One O'Clock Jump" or "Georgia," you will get your chance at Sunday night's Capers at the Hyatt Regency Chicago when the world famous Count Basie Orchestra, directed by Thad Jones, will bring back the big band sound. Often called "the most explosive force in jazz," the Count Basie Orchestra has been featured in a long list of movies, from "Hit Parade of 1943" to Mel Brooks' "Blazing Saddles," and has played with greats including Bing Crosby and Frank Sinatra.

Thad Jones

Now led by internationally known trumpeter/composer/arranger Thad Jones, the Count Basie Orchestra continues the tradition of musical excellence and excitement the band has built over five decades.

Monday it's "60s Night" at the Capers at the Chicago Marriott Hotel. Remember "This Diamond Ring" and "Palisades Park"? You can hear these hits again when the new "This Diamond Ring" tour, featuring Gary Lewis and The Playboys, Freddy Cannon, Dennis Yost and The Classics IV, comes to the NRA Show.

The music doesn't stop until 1:00 a.m. both nights. So get ready to swing and to rock at these gala events.

YOU'RE ON TV!

For previews and reviews of the day's events at the NRA Show you can tune into R-Television every morning, evening and night on your hotel television screen. Heading into its fifth year, R-TV will bring you man-on-the-street interviews from the floor of the Show and will cover the popular Main Course 10-K race. The different programs, shown each day, will be sponsored by Popeye's Fried Chicken, General Foods, Admark, Sunkist and others.

The hour-long show will be broadcast on Saturday, May 17, at 5 p.m., 6:10 p.m. and 10:30 p.m. On Sunday, Monday and Tuesday you can watch it in the morning at 7:00 a.m. and 8:10 a.m. and in the evening at 4:00 p.m., 5:10 p.m. and 10:30 p.m.

MICKEY GILLEY TO STAR AT GRAND BANQUET

Mickey Gilley

Country-western star Mickey Gilley and the Urban Cowboy Band will entertain at the NRA Grand Banquet on Tuesday evening, May 20. Versatile comedian and television star Steve Landesberg will headline the opening act.

Mickey Gilley was a well-known country star long before his music and his club in Pasadena, TX, were immortalized in the film "Urban Cowboy." His first big hit was "Roomful of Roses" in 1974, which went on to become a number one song. More recent hits are "You've Really Got a Hold on Me," "That's All That Matters to Me," "You Don't Know Me," "Put Your Dreams Away," and "Fool for Love."

Mickey's newest album, "Too Good to Stop Now," features the title song and "I'm the One Mama Told You About." He has had a total of 18 number one records in the past 10 years. With this success, he has been performing more and more throughout the country, including showrooms from Las Vegas and Reno to Atlantic City, and he has been featured on television.

With each performance, Mickey delights audiences with his distinctive voice, which does magic with a wide range of songs from honky-tonk to tender love ballads.

Steve Landesberg's dry sense of humor won him three Emmy nominations in his six years with the highly successful television series "Barney Miller." Now he has returned to the concert stage, bringing his unique brand of humor to sellout performances across the country. He is regular on "The Tonight Show" and has been seen in "The Steve Landesberg Television Show" and on two sports talk specials.

The Grand Banquet is held in honor of the incoming NRA president and serves as the show's grand finale. Admission tickets at $100 per person cover a reception, a gourmet dinner, continuous music and dancing to the music of Dick Judson and, of course, the entertainment. To obtain tickets, contact Philip Kralovec, NRA, 150 N. Michigan Ave., Chicago, IL 60601; (312) 853-2525.

RESTA

SPIN

Seven months after the April 1985 opening of La Scala Presto in Los Angeles, CA, the trattoria offshoot of his upscale La Scala Restaurant, Jean Leon was operating in the black. If anything could put this down-to-earth restaurateur's head in a spin, it would be the overwhelming popularity of his new Brentwood venture and the resulting profits.

No less magical was the instant success of another Los Angeles restaurant offshoot—Primi, the first-course only restaurant of Piero Selvaggio, owner of the Italian classic, Valentino. Within weeks of its opening in July 1985, Primi was singled out by *Los Angeles Magazine;* within months, it had made the best restaurant lists of *USA TODAY* and *Esquire* magazines.

Whether a trattoria, pizzeria or upscale cafe, spinoffs are creating exciting opportunities for restaurateurs and inviting modern, less formal interpretations of well-known concepts. "Anyone who doesn't pay attention to this trend of people enjoying restaurants in new ways will be in trouble," cautions Leon.

Trend escalating . . .

Although spinoffs have been around in small numbers for some time, their presence has become more pronounced in the last year, and the trend seems to be escalating. Scheduled to open next month in New York City, for example, is the unlikely scion of the upscale landmark, The Quilted Giraffe. The Casual Quilted Giraffe, as the spinoff will be called, is Barry and Susan Wine's attempt to create an informal restaurant with a broader market appeal.

These new restaurants do have a distinctive character and personality. But like any new restaurant addition to a primary operation, they offer the advantages of reputation carryover and the economies of operating multiple establishments under one management. In addition, spinoffs give restaurateurs the opportunity to expand their markets and the chance to do something new, by stepping sideways off the path of precedent.

For Selvaggio, for example, giving birth to the child Primi was a complex process that merged his experience, intuition, love and perception into his own statement, creating an experience and a new concept.

Responding to customers . . .

Of course, those creating spinoffs are not always inventing new directions in which to move. Usually, they are responding to customers who want new dining options. As Leon says, "People want a place to be at ease, a place that combines quality with atmosphere at reasonable prices." Explaining his choice of a trattoria, Leon says, "We move too much. It's time for people to know each other again and to become part of their own neighborhood." His idea seems to have hit the mark. Seeing the success of his spinoff, Leon plans three more offshoots.

"People aren't looking for the food

Maxine Atwater is a free-lance writer in the Washington, DC, area.

URANT

by Maxine Atwate

Owner Piero Selvaggio toasts his spinoff Primi.

that America grew up on," says NRA Director Harry Klingeman of the 50-year old Indian Trail Restaurant in Winnetka, IL. That is why he is opening a new cafe, Ryan's, this fall. Instead of the "meat and potatoes" ordered by most of the 220,000 customers who come to the restaurant each year, Ryan's will cater to newer, more sophisticated tastes. "There comes a point when if you don't make changes, you start to lose business," he says. "By opening Ryan's we are taking our concept out of the 60s into the 80s and into the future."

Other operators agree that consumer needs are changing. Young professionals who dine out two, three or more nights a week don't want a four-course meal every night. Joyce Goldstein of Square One, San Francisco, CA, opened her spinoff, Caffe Quadro, next door to her restaurant last November, in response to customers' requests for take-out and "good food they can enjoy every day and not just for that once or twice a week two-hour business lunch." That is why in contrast to her Square One restaurant with grill, pasta, saute and dessert stations, Caffe Quadro serves pizza, calzone, sandwiches, soups and salads.

Customer demand for an everyday restaurant also inspired NRA Treasurer Michael Grisanti to open his home-style venture Mamma Grisanti in 1976. Grisanti explains that Mamma Grisanti, with its kitchen ambiance, is the everyday restaurant patronized by the same customers who dine at Casa Grisanti, his upscale Northern Italian restaurant, on special occasions.

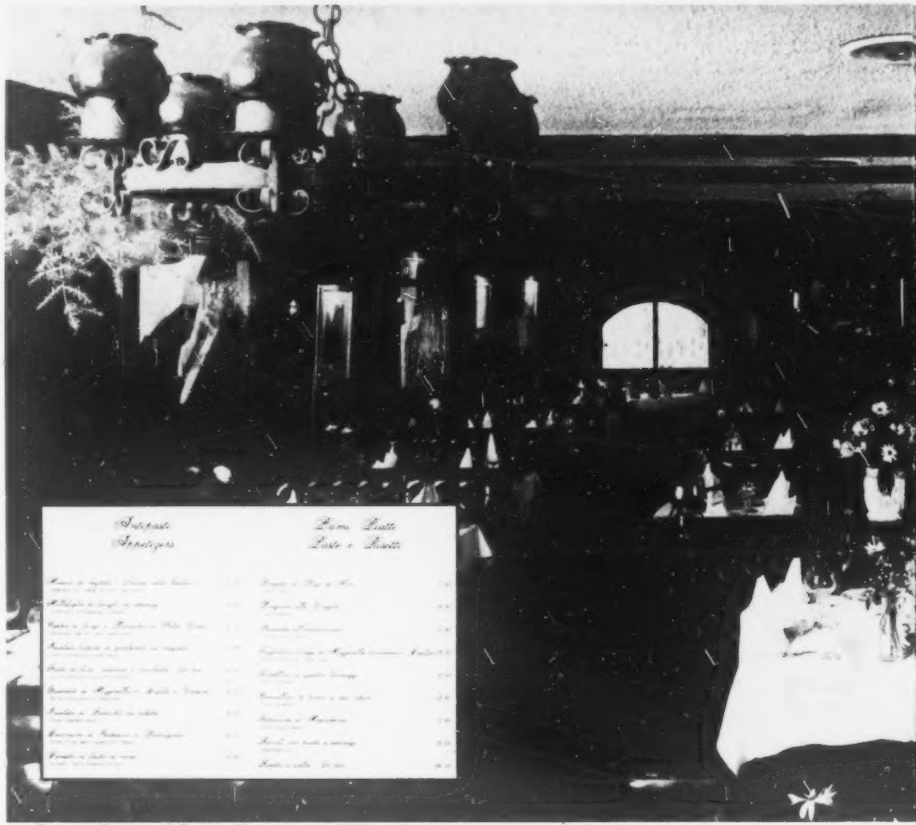
Sometimes the location dictates the restaurant's form, as was the case with The Casual Quilted Giraffe. Bams and Susan Wine were asked by AT&T to open a cafe in their new Manhattan headquarters building. The Wines quickly realized that a high-traffic area, such as 55th and Madison, required an operation with mass appeal—not another formal restaurant like The Quilted Giraffe, which serves only expensive *prix fixe* dinners ($75). They saw the opportunity to run a cafe as a challenge and a chance to broaden their approach to business. They like the idea of running a cafe where people feel comfortable coming in at 3 p.m. to order only a dessert or appetizers and champagne.

Similarities and differences . . .

Spinoffs, like children, are not carbon copies of their parents but rather bring together traits that are at once both similar and dissimilar. Basics, such as the hours of operation, the type of food served and the size of the establishment, often vary. Differences are also seen in the decor, menu offerings and prices. Similarities are reflected in such intangibles as style and quality.

Menu. Although quality is not sacrificed—many spinoffs train chefs in the kitchens of the parent restaurant—generally, fewer dishes are offered. At Mamma Grisanti, for example, the menu is limited, focusing on well-known Italian dishes, such as Fetuccini Alfredo and lasagna. Customers eat from pottery plates using stainless steel flatware in a kitchen dining room. At Casa Grisanti, where the dinner check averages at least double those at Mamma's, there is a more extensive selection of entrees, including veal, lamb, beef, duck and seafood. Dinner is served on china at candlelit tables draped in damask and set with silverware.

Instead of serving 500 a week at The Quilted Giraffe, the new cafe spinoff will serve 500 a day. While the new menu offerings will not be the same—although some dishes once served at The Quilted Giraffe may turn up on The Casual Quilted Giraffe menu—the food quality will be the same. But there is a difference in philosophy, which Barry Wine explains: "What we are trying to do at The Quilted Giraffe is to send a dish out of the kitchen which the customer will say is the best of its kind he has ever had. We don't want customers to have that expectation at our cafe. The menu is simplified and, of course, less costly (about half as much as similar dishes at the restaurant)."



Interior and menu from the parent Valentino.

Often a parent's signature dishes are transferred to the spinoff, such as the duck liver pate and warm seafood salad offered both at Jackie's, Chicago, IL, and at its August 1985 spinoff, D'Artagnan. However, in contrast to the classic dishes for which Jackie's is famous, D'Artagnan concentrates on salads, fruit plates and unusual dishes, such as a monk fish entree.

Similarly, both the Schmidhaus (Detroit, MI) and its 1981 offshoot, Main Street Seafood Bar and Grill, offer such German specialties as hot bacon salad dressing and potato pancakes. But the bar and grill, a casual pub-style restaurant, which seats 150, features seafood, ribs, Mexican specialties and pizza, while the more formal Schmidhaus, built in the style of a Bavarian castle, seats more than 500 and serves mostly seafood and German dishes, such as wiener schnitzel.

Wine service also varies between parent and spinoff with the parent often offering more extensive and expensive selections. At Square One, for example, customers can choose from two lists, one a regular list of recent vintages and the other of private selections of older wines. In contrast, Caffe Quadro serves a house red and white wine made by a local winery.

Even when the selections are the same, the prices often differ. The same Chianti Classico that goes for $19 a bottle at La Scala sells for $9.75 at La Scala Presto.

Decor. The decor often reflects the difference between the parent restaurant and the spinoff. For instance, at Jackie's the decor is a symphony of soft grey walls and linens, etched glass and subtle oriental touches. D'Artagnan, on the other hand, looks like the inside of a greenhouse with peach and pink floral wallpaper, wrought iron furniture and picture windows overlooking the patio where patrons sit in good weather.

Instead of projecting the formal elegance of The Quilted Giraffe, the new Casual Quilted Giraffe will be "glitzy, elegant and chic." Although the glass window that stands between the dining room and kitchen at the parent restaurant will be carried over to the cafe, the linen tablecloths and sumptuous chairs will not. In their place at the cafe will be granite tables inset with jewels, pastel-colored plates and napkins, crystal Hoya tumblers used for all beverages, including wine, as well as comfortable futuristic Italian chairs.

In contrast to the all-white furniture, tile, marble and brass touches of the clean and open Square One restaurant, is the motif of Caffe Quadro: stained concrete floors that look like terrazzo, granite tables, wooden chairs, and posters that accent the look of a Northern Italian cafe.

The white tile, oak tables, fresh flowers and hanging herbs and open kitchen of La Scala Presto contrasts markedly with the damask and Venetian lamps that characterize the 19th century Florentine decor of La Scala. In a similar way, Primi counters Valentino's classic look with a trattoria ambiance. "The garden, the open kitchen, the '*puttis*' (angels) decorations symbolize its straightforward, fresh, clean look," says Selvaggio.

Planning. And how did these restaurateurs handle the details of creating their spinoffs? Planning time varies, ranging from four months for La Scala Presto to two years for The Casual Quilted Giraffe.

Many operators executed the various steps involved in planning their new establishments themselves—finding a space, designing their space, creating new menus—or collaborated closely with a consultant.

Goldstein of Square One and Caffe Quadro, for example, knew exactly what she wanted in the cafe. She explains: "Where Square One was a large space with glass on three sides

casa grisanti

Interior and menu from the parent Casa Grisanti.

mamma grisanti
FRESH TODAY

Interior and menu from the spinoff Mamma Grisanti.

and odd columns, it really needed someone who knew what they were doing with space. But since the cafe space was small, it was easy to control."

Because Ryan's will be in the same building as the Indian Trail restaurant, Klingeman felt he needed professional help to create a dramatic entrance to set it apart from the old restaurant. To make sure those driving down the street know Ryan's is a different entity, he is building a 16-foot atrium entranceway, which will "shine during the day and glow at night."

Operation. Only because he can use the same kitchen for both operations does Klingeman feel he can afford to open his new cafe. "I'm reducing overhead costs tremendously by using the same kitchen and labor force," he says. He explains that he will use the same cooks, dishwashers and bartenders—only the servers will be different. Ryan's will require a more knowledgeable waitstaff with more ability to suggest items and discuss specials.

Goldstein of Square One also uses the same kitchen for her cafe. She says that the kitchen had to be the same for both because "it's important to me that I supervise the cooking and I don't want to travel to do it."

Sometimes the staff at the spinoff has trained or worked at the parent restaurant. In fact, the new establishment often provides advancement opportunity. This has been the case, for example, at the Main Street Seafood Bar and Grill, at Primi and La Scala Presto. "Anyone with me for over 20 years will have part of their own little restaurant eventually," explains Leon.

Spinoffs can make money . . .

Are spinoffs paying off? For Leon, who has been serving 700 people a day at La Scala Presto, the answer is yes. "I'm making much more at La Scala Presto than I did at La Scala," he says. "In the seven months since I opened I have gotten back all the money I put into it. I'm planing to open three more restaurants and have 57 applications for franchises."

Michael Grisanti reports that since opening Mamma Grisanti he has also done well. In fact, he has done so well that "something new is coming up." He reports he'll be expanding into a new concept which he will unveil in the near future.

The consensus is that by capturing new tastes in new ways, the spinoff can definitely pay off. ❑

ARRIVING AT A SALES PRICE FOR YOUR RESTAURANT

This article introduces a general model for estimating the sales price for a profitable restaurant.

[redacted]

Restaurant owners often wonder what sales prices they might receive if they sold their operations. The normal procedure used to satisfy this curiosity is to solicit estimates from a professional real estate broker, business broker and/or other financial professionals. Many owners, though, are understandably reluctant to approach these professionals casually because any contact with them, however slight, can easily be misconstrued by persons attuned to the grapevine.

Ideally, a curious restaurant owner would be able to uncover an index of recent sale transactions that lists sales price statistics. But unlike indices that exist for motel sales, nothing similar is available for restaurant sales.

Sales price components . . .

Most buyers will agree that a sales price includes an established value for real estate, other reversion assets and business characteristics.

[redacted]

Real estate includes the land and its permanent improvements, such as the building, parking lot and utility connections.

Often, the real estate is not part of the sale of an ongoing restaurant operation. Experience shows that the typical operator is a user of—and not an investor in—real estate.

Usually a passive investor purchases the real estate with the intent of collecting rent from a restaurant tenant, enjoying the tax shelter benefits available to real estate owners and reaping a capital gain when this asset eventually is sold.

The typical price paid for single-use real estate that houses an ongoing restaurant operation usually equals the capitalized annual net rent. The appropriate capitalization rate seems to fall between nine and 11 percent, depending on the

- quality of the tenant—i.e., a major foodservice company poses less risk and is considered to be of higher quality than a small independent operation without a track record
- renovation needed
- economic obsolescence—i.e., the safety, attractiveness and economy of the surrounding area are below standard and
- seller financing—i.e., below-market financing.

If the real estate being purchased is owned by a passive investor, the annual net rent is easily computed. It is the amount of income a landlord would receive from the tenant, less any property-related expenses that the landlord incurs. Most landlords attempt to write a lease agreement which stipulates that the tenant must pay all property-related expenses, such as property taxes, insurance and maintenance, in addition to the monthly lease payment. The monthly lease payment received, therefore, is net rent to the landlord.

However, if the real estate is part of the purchase of an on-going restaurant operation, it is necessary to conduct research in the local market to determine the amount of rent commanded by similar real estate.

[redacted]

A reversion asset is one that will retain its value independent of the success or failure of the ongoing operation.

In addition to real estate, there are three other assets whose values are not affected by the performance of the on-going operation: liquor license, antiques and inventories.

Liquor license. In some parts of the country, there is no value for an existing liquor license because new licenses are readily available from the appropriate government agency. However, in other areas of the country, liquor licenses are unavailable from the government because it has issued the maximum number of licenses allowed. The only way to obtain a liquor license in this situation is to purchase one from a current licensee.

Where there is a free market for the sale and purchase of a liquor license, there tends to be an established market value for it that can be determined very easily. In most instances, the agreed-upon sales price for a liquor license must be disclosed to the appropriate government agency by the buyer who applies for the transfer of ownership.

In some rare instances, the government restricts the price that a buyer can pay to the current licensee for the liquor license.

John Stefanelli is associate professor at the College of Hotel Administration, University of Nevada at Las Vegas, and author of The Sale and Purchase of Restaurants *(1985, John Wiley & Sons).*

Antiques. A restaurant operator may own several unique, irreplaceable assets, such as pictures, autographs, furniture, fixtures and tableware, that will retain their value regardless of the success or failure of the restaurant operation. Usually the curator of the local library or local museum is qualified to prepare a realistic estimate of value for these articles. An insurance broker, or agent, who has considerable experience in the appraisal of antiques, can also render a satisfactory estimate of value.

Inventories. Traditionally, when the ownership of a restaurant operation changes hands, the buyer and seller together take a physical count of all unopened stock. The current purchase prices for these inventories are taken from the suppliers' price books and are used to compute the stock's value.

Opened merchandise could be valued in the same way, but normally a seller leaves this stock behind at no cost to the buyer.

[illegible]

The business includes all the remaining assets that are for sale by the restaurant operator. In most cases, these assets are the leasehold improvements, furniture, fixtures, equipment, utensils and tableware. In addition, there may be one or more intangible assets, such as goodwill, an up-to-date mailing list and a superior accounting and recordkeeping system.

The sales price estimate for the business portion of the restaurant is equal to the percentage of the restaurant's trailing 12 months' sales volume. The percentage usually will vary from 40 percent to 70 percent, depending upon at least seven major factors.

1. Profitability. A restaurant business must be profitable or else this model cannot be used to determine a sales price estimate. A business that is losing money has a very minimal value. The value usually is much less than the depreciated value of the tangible assets.

A marginally profitable restaurant business, with some room for improvement, usually will sell for about 40 percent of the trailing 12 months' sales volume. A business earning an average profit would tend to sell for about 50 percent, and a business earning an above-average profit will fetch a sale price equal to about 70 percent.

The profitability factor appears to be the most important determinant of sales price, since, when holding the other factors constant, there is a very significant correlation between it and the sales price of a restaurant business.

2. Seller financing. As with the real estate asset, the amount of below-market financing available to a buyer will have a direct effect on the sales price of the business. Usually the present-value sales price is unaffected, although it would appear that the sales price will experience a significant real increase if the seller receives a very small, or no, downpayment. And the sale price will suffer a significant decrease if the seller demands cash.

3. Leasehold interest. The term remaining on the real property lease, as well as the payment requirements, will affect the sales price of the business. A favorable leasehold interest will be reflected in a higher sales price, and vice versa.

A buyer normally expects that the current lease is readily assumable, and that it has a remaining term of at least five years. The term could be less than five years if there is a favorable renewal option. Anything less than five years generally will render the restaurant business unsalable.

If the monthly lease payment exceeds eight percent of a restaurant's monthly sales volume, most potential buyers will lose interest in the purchase opportunity unless there is something favorable about the business to offset such an onerous lease. The fullservice restaurant operator typically expects to pay monthly rent equal to about six percent of monthly sales volume but will consider a larger payment if, for example, the landlord is responsible for one or more property-related expenses.

4. Personal goodwill. Personal goodwill refers to the amount of sales volume and profit that are directly attributable to the current restaurant owner's personal friendship with guests. A potential buyer is apt to conclude that these guests will cease patronizing the restraurant if the current owner leaves.

In many instances, the concept of personal goodwill can be expanded to include the amount of sales volume and profit generated specifically by a valued employee of the restaurant. If he or she is expected to resign just after the sale of the restaurant, a potential buyer will be very leery of the purchase opportunity.

5. Renovation needed. If the buyer must incur a major renovation cost shortly after the conclusion of the sale transaction, this cost usually will reduce the sales price of the business to much less than 40 percent of the trailing 12 months' sales volume. If a business needs a minimal amount of cosmetic renovation, there generally is no effect.

All other factors aside, a well-maintained business that requires very little or no upgrading should easily sell for about 60 to 70 percent of the trailing 12 months' sales volume. Potential buyers often will pay a premium for a business that shows a "pride of ownership."

6. Economic obsolescence. Surprisingly, the percentage multiple used to set the sales price of a restaurant business suffers very little if its location is less than ideal.

7. Franchise affiliation.* The presence of a franchise affects the sales price positively, particularly if the franchise is easily recognized by, and acceptable to, consumers. Also, a franchisee tends to be more competitive because of the franchisor's support.

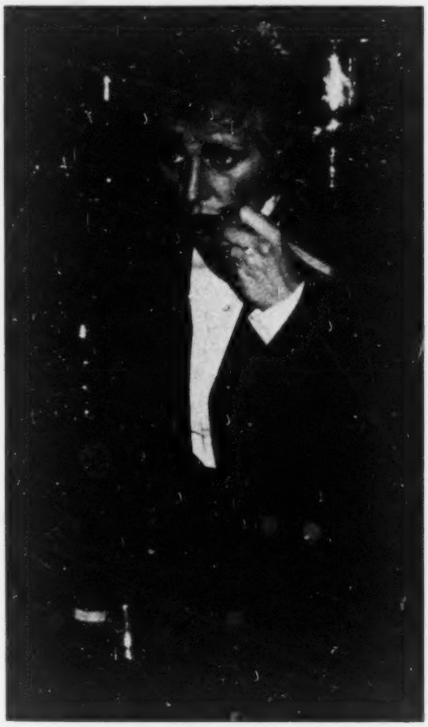
For instance, if a business broker decided to set an asking price for a nondescript restaurant business at 40 percent of the trailing 12 months' sales volume, the multiple would be increased to about 45 percent or more if a franchise was part of the sale. ❑

**Some people believe that the franchise, or other form of exclusive distributorship, should be classified as a reversion asset. I do not harbor this view, for three reasons. One, a franchise is not easily divorced from a specific location because of territorial rights assigned to other franchisees. Two, franchisors seem to be very selective when evaluating potential franchisees, particularly potential franchisees who seek to purchase an existing franchise. And three, a franchise has an expiration date, so at best, it declines continually in value and eventually is valueless.*

VIEWPOINT

Patricia Draper smiles when recalling a conversation she had with Neil Armstrong about her job. "He asked me how I liked being the first female wine captain at the Sardine Factory. I looked at him and said, 'You know, it's a fun, wonderful job. I enjoy the learning experience, but being the pioneer, is very difficult.' And then I realized who he was and said, 'Well, I guess you would know what I mean.' And he said, 'Yes, I know exactly what you mean.' And now I laugh remembering that there I was discussing the difficulties of being a pioneer with the first man on the moon."

by Patricia Draper



Draper may modestly minimize her achievements, but in her own world—the restaurant world—she is indeed a trailblazer. Last September she became the first female wine captain at the elegant Sardine Factory in Monterey, CA—one of few women across the country to don the tuxedo of this traditionally male role.

Like most pioneers, Draper has had to undergo rigorous training, give 110 percent and surmount various barriers to achieve her goal. "There have been some bumps, some rough times," she admits. "But I disregarded that because I love what I am doing."

WHY I LOVE SERVING WINE

In the beginning I had no idea I would become a professional sommelier, and it was almost by happenstance that it occurred at all.

Three years ago I began working as a cocktail waitress at the Sardine Factory. Out of curiosity, I started attending the restaurant's biweekly wine tastings because our restaurant is so well-known for its wine program. We have an extensive wine list, about 1,800 wines, and I thought it would be a great way to learn about wine.

The curiosity became a personal hobby. I discovered that my background as a foreign language student (I speak Spanish, Italian, French and German) and my three-year experience as a waitress in Switzerland strengthened and complemented my growing interest in wine. I also realized that my hypersensitive palate—something that has bothered me for years—was a natural asset.

During recent research with focus groups, NRA found that the majority of foodservice employees are very proud of their professions. This research inspired a new NRA NEWS series of viewpoints—articles in which foodservice employees use their own words to describe the challenges and rewards of their careers. The first installment comes from a female wine captain.

So when the Sardine Factory's Master Sommelier Fred Dame announced he was offering the San Francisco wine academy's intensive wine course at the restaurant, I signed up. There was a lot of hesitation at first. I was the only woman taking the course, and people said it would be tough because I knew little about wine.

The five-week course was very rigorous, covering grape varieties, regions, wine laws, wine-making practices, techniques and famous wine designations. I studied hard, gave up my social life and scored "better than perfect" on all the tests. Pretty soon those who had warned me about failing were asking if they could study with me. My efforts paid off and I ended up graduating first in the class.

Then came the question of having a female wine captain at the Sardine Factory. It had never been done before. But Fred Dame pushed for me, and when a wine captain took a month's leave of absence, I was given a shot at the job.

All too soon, the wine captain returned, and I was back to cocktailing and working occasional fill-in shifts as a wine captain. Meanwhile I built up an extensive wine library and kept tasting, reading and studying, hoping to win a full-time position.

Finally, in the fall of 1985, I was

told that one of the wine captains had found another job, and I would be taking his place. I was very happy.

Overcoming challenges . . .

Although I have been a full-time sommelier for six months, the stereotypical male image of the job can still be a barrier.

Looking the part helps. That means wearing a tuxedo and wearing my hair up. Even so, many times when I walk up to a table, people automatically order cocktails from me, even though I am wearing a tuxedo.

For instance, one night I served a party of five people. I came up and asked them if they cared to order any wine. They told me they wanted the Mondavi Fume Blanc. I took their wine list and left. When I came back with the bottle of wine, I opened it and served it. When the first bottle was finished, the man looked up at me. I asked, "Do you care to have any more wine?" He said, "Yes, ask *him* to bring another bottle." I had been at the table enough times for him to realize I was there, but it is just standard for people to think a man will be serving the wine.

Once customers realize I am actually the wine captain, they often are skeptical and drill me with questions. I think most people really don't expect me to know much about wine.

But studying has really paid off. When someone asks me what I think about the sugar level of a certain German wine or the winemaking techniques of a certain winery, I can answer their questions. They are generally surprised and always pleased.

But if I don't know an answer, I don't hesitate to say so. I don't pretend to have tasted every wine. If someone orders a '61 Aux Briand and asks, "What do you think about this wine?", I'll say, "I will be honest with you. I have never tasted it, but I will ask our master sommelier what he thinks, how it's tasting, how it's drinking now and if, in his opinion, '61 is a good vintage." That's the way I learn and the way customers learn. If I'm lucky, the customer will offer me a taste of the wine. Then the next time someone asks me about the wine, I can tell them what I know.

Despite the occasional bumps, the positive comments far outweigh the negatives. And frequently people ask for me by name.

Sometimes being a woman can actually be an advantage. People feel more at ease and don't hesitate to ask me questions. Maybe I'm not quite as intimidating. I make every effort not to be snobbish. If some customers seem a little insecure about the wine they are picking, I'll take the time to talk to them. When foreigners visit the Sardine Factory, I serve them in their own language, which always makes them very happy. I also try to give them a little insight into what the dining situation is like in the United States and especially here in Monterey. For example, I waited on a Japanese couple the other night, and they spoke very little English. The woman said she liked French chablis and asked if there was a comparable wine in California. I explained to her that since the grape variety used to make chablis is a chardonnay grape, she might like to try some California chardonnays, and I wrote down the name of several wines that I felt she might enjoy. I also explained that not every wine would be comparable since the California chardonnays and the chablis are made differently—one is aged in oak; the other in steel, which gives the chablis an austere taste.

Taking pride in the job . . .

I sell a lot of wine. Since I have become full-time, I have broken some sales records. Once I sold more than $1,200 of wine five nights in a row. On a slow night if you sell $500 worth of wine, you're happy. On a busy night if you reach $800, you're thrilled. So breaking $1,000 is great.

Although breaking sales records is rewarding, I get a lot of satisfaction simply by enhancing customers' dining experiences. I love serving wine that complements a meal. My favorite situation is when people let me suggest the wine. Then, when they love the wine and have a wonderful experience, I have a great time, too. If people look confused or unsure, I'll say, "Let me help you." And I can see their shoulders relax. People make decisions all day long, and dining shouldn't be one more stressful decision-making process.

Helping people feel comfortable may involve telling them a little about the wines and the production techniques used or suggesting food and wine pairings. Although the codes are no longer as stringent (only serving white wine with fish and poultry and red wine with red meat), sauces should be carefully considered when choosing a wine.

I don't know if other wine stewards do the same thing but when I open a bottle of wine, I always ask who will be tasting the wine—whether there are two people at the table or eight. People always appreciate the fact that I don't assume that the gentleman will be tasting the wine. After all, women are picking the wine more often.

Growing opportunities . . .

To other women I'd say, "I can't think of a better job in a restaurant." But a woman must realize that she is going to be under fire if she is doing a man's job and has to be prepared.

One way to prepare is to **learn, learn, learn.** Women have to make sure they know what they are doing because they will be tested. Learning about wine is an ongoing commitment. I am still studying wines and still tasting as often as possible. And I'm not going to stop reading and tasting—that is one reason why I have 10 wine magazines on my coffee table. I also involve myself as much as I can with the wine community. Little things can help a lot, too, such as helping stock the wine bins. This helps me keep up with the inventory and where it is located—an important consideration when I have to serve seven different tables at once.

Act the part. When serving wine to customers, you must be respectful. Wine is really important to people, especially when they are paying large sums of money for a fine bottle. You have to have a concerned attitude. That's why I recommend dressing the part to gain customers' respect.

Ensure management support. A supportive management team is crucial. If it weren't for the open-mindedness of the owners of the Sardine Factory—Ted Balestreri and Bert Cutino—and our general manager Jeff Lester, I don't think I'd be here today. Hiring me was an adventurous thing to do. Their ongoing encouragement and acceptance has been a key ingredient to my success. For instance, Ted makes a point to introduce me proudly as "our first female sommelier. You know, she graduated first in the class." This really helps. It opens the door and makes people feel more comfortable with me.

Finally, love your job. If you don't, don't do it. You have to have a genuine interest in what you are doing to be successful. I never feel that I am "laboring." I love my job. ☐

Michel LeBorgne's experience with vegetables has changed over time. "Twenty years ago, I was a chef at one of New York City's finest restaurants," he recalls. "We were known for the quality of our food. And yet, day in and day out, our *vegetable du jour* was green beans. No matter what entree was being served, every plate that came out of the kitchen had a portion of green beans on the side."

Today, LeBorgne, executive chef at Tubb's Restaurant (Montpelier, VT; 45 seats), treats vegetables quite differently. A typical evening's menu at Tubb's might include: steamed haddock served with a medley of fresh zucchini, butternut squash and tomatoes; grilled chicken accompanied by a vegetable "bundle"—car-

Vegetables are taking on a new identity. No longer simply a garnish for the entree, they have become an important way to customize menus.

rots and rutabaga cut into uniform sticks and tied with a leek bow; and grilled steak served with a broccoli flan. In fact, if a party of six at Tubb's were to order six different entrees, the platters arriving at their table would likely contain vegetables of varying colors, sizes, textures and flavors—and no two presentations would be alike.

"Vegetables are coming into their own," says Chris Quilty, director of purchasing for the New England Culinary Institute, which operates Tubb's. "It is no longer necessary to garnish a dish with a sprig of parsley. Vegetables, when served to complement specific entrees, are customized garnishes." And, he adds, "they are a lot more exciting."

Due to popular demand . . .

The new importance of vegetables on restaurant menus is a result of consumer sophistication and changing preferences. Public concern about nutrition in recent years sparked a renewed interest in fresh vegetables. But it is operators' response to that interest—namely, by serving vegetables of every variety in innovative ways—that has triggered a boom in their popularity.

"Our customers regard vegetables as being equal in importance to the main course," maintains Raimund Hofmeister, executive chef of La Chaumiere, the 120-seat flagship restaurant of Los Angeles, CA's Century Plaza Hotel. "Customers demand freshness. They demand variety. And they demand excitement."

Walter Pledner, executive chef of New York's American Harvest Restaurant (110 seats), agrees that today's customer is much more savvy when it comes to vegetables. "It goes without saying that you cannot serve canned or frozen vegetables and try to pass them off as fresh," he says. "But customers today require more than that. They are looking for unusual preparation methods and distinctive flavors."

This new demand has translated into such intriguing combinations as fresh red cabbage with cranberries, braised endives with curry butter, and stir-fried medlies of California baby carrots, caulifower, eggplant and zucchini. Observes Chris Quilty of the New England Culinary Institute, "We are seeing as much creative energy given to vegetable preparation as to the main course."

But many chefs are going even further. As at Tubb's Restaurant, chefs are considering how vegetables complement the entree as well as how they complement each other. "It's a rare vegetable that goes equally well with meat and fish," says Raimund Hofmeister. For restaurants, such as La Chaumiere, that means preparing up to a dozen different vegetables nightly to ensure that the most savory vegetable/entree combinations are served.

Variety is key . . .

Clearly, this attention to the compatibility of vegetables and entrees requires that a great variety of vegetables be obtainable from suppliers. Most operators report that vegetable supplies are ample.

"You don't have to live in California anymore to get fresh, unusual vegetables," says Craig Brewer, executive chef at The Pump Room (Chicago, IL; 175 seats). "If vegetables can't be shipped fresh from California or Florida, they can be purchased from hothouses in New York." Brewer adds he has little or no trouble obtaining some of the more exotic vegetables he serves nightly. "A supplier who is truly committed to your business will get the produce you want," he attests.

At Sammy's, an upscale 130-seat restaurant in Cleveland, OH, manager Rich Tomsik says most of the fresh vegetables served at the restaurant are Cleveland-grown. The owners anticipated the need for a large variety of fresh vegetables, reports Tomsik, so they commissioned a gardener to grow produce, especially for Sammy's in a Cleveland hothouse and on specialty farms in the surrounding area. Additionally, the restaurant operates a fresh produce market on-premises, so customers who rave about Sammy's vegetables can purchase their own supply.

Supermarkets, too, have greatly expanded—and upgraded—their selections of vegetables, and some operators supplement their purchases from suppliers at local stores. "Produce sections are stocked with many more varieties than they once were," observes Michel LeBorgne. "And, because we serve so many combinations at Tubb's, curious customers will see my shopping cart and ask, 'What are you going to do with those?' "

> "We are seeing as much creative energy given to vegetable preparation as to the main course."

Beet mousse with vinegar

Serves 4

¾ lb. beets, sliced thin
¼ lb. onions, sliced thin
1 tsp. olive oil
1 garlic clove crushed
2 Tbsp. red wine vinegar
1 large, peeled and seeded tomato
⅓ cup heavy cream
salt and pepper

In a heavy skillet, sweat onions. Add garlic. Stir constantly. Deglaze with vinegar. Add tomato and beets. Season with salt and pepper. Cover. Cook very slowly. When beets are tender, puree in blender. Add heavy cream. Check seasoning.

—Courtesy of Michel LeBorgne,
executive chef
New England Culinary Institute
Montpelier, VT

"It's a rare vegetable that goes equally well with meat and fish."

Cassoulet of kohlrabi and morels in port wine

Serves 6

6 small young kohlrabies (large plum size)
6 med. size morels
1 med. size shallot
1 oz. butter
1 tsp. chopped chives
1 tsp. chopped parsley
½ cup port wine
1 cup heavy cream

Peel kohlrabies and cut in sections. Slice morels and boil each one separately until halfway done. Saute chopped shallots in butter. Add kohlrabies and port wine. Simmer with cover on until most liquid is evaporated. Add morels and fill up with cream. Reduce halfway down. Add parsley. Serve topped with chives.

—Courtesy of Raimund Hofmeister, executive chef, Century Plaza, Los Angeles, CA

Pairing vegetables with entrees . . .

Once they have the vegetables in their kitchens, LeBorgne and other creative chefs decide which vegetables are most compatible with meats, fish or poultry, how each vegetable should be prepared and which vegetables are best served alone or paired with other vegetables.

There are four basic elements to consider when pairing a vegetable with an entree:

Color. "You want to feast the eyes before you even get near a taste bud," says Rene Dionne, director of purchasing for Johnson & Wales College, Providence, RI.

At Johnson & Wales, one of the top culinary schools in the country, students are taught early that color is a primary consideration when developing combinations of entrees and vegeatables. "The color of a vegetable should be a contrast to the main course," explains department chairman Jack McKenna, "but with underlying similarities. For instance, broccoli has a deep, robust color, appropriate for meats. But with a light fish, a medley of squash vegetables—bright, but lighter—may be preferable." McKenna adds that the popularity of multihued California baby vegetables—from beets, turnips, pumpkins and corn to onions, artichokes, avocados and eggplants—has underscored the value of color.

Shape. The shape of a vegetable also contributes to the visual first impression. Whether julienned (cut into long, thin strips), tourned (carved into seven-sided "footballs") diced or quartered, uniquely-shaped vegetables add interest to a presentation.

Craig Brewer of The Pump Room believes that many vegetables look best when their natural shapes are preserved. Long, uncut string beans, broccoli with stalks and florets, and whole artichoke hearts frequently augment serving dishes at The Pump Room. Or Brewer will carefully peel baby vegetables, such as carrots, leaving a bright spot of green at the top—to make them look like whole carrots. "Only if a vegetable's natural shape is incongruent with the look of the entree, will we change it," says Brewer.

Texture. Congruence in texture between vegetables and entree is also important. Recalls Craig Brewer, "There was a time when all vegetables were left to sit in a pan for a long time; so whether they were steamed, fried or grilled—they were mushy." Today, vegetables are frequently prepared to order, and they are typically steamed to retain their natural crunchy texture.

Elise Griffin, food development coordinator for the Atlanta, GA-based Pleasant Peasant restaurants (average 280 seats), says "crunchy" is the operating word when preparing vegetables at her restaurants because "crunchy" connotes freshness. "Particularly with fresh fish, crunchy vegetables provide a pleasant contrast," she explains. "With meats, we often serve steamed or grilled vegetables."

Flavor. Finally, the most important criterion in evaluating an entree and vegetable combination is flavor. Says Raimund Hofmeister of La Chaumiere, "One should not dominate the other. You would not serve a braised endive with a delicate fish, for instance. You want flavors that enhance, not ovewhelm."

Jack McKenna of Johnson & Wales agrees. "Contrasting flavors are important, but the contrast should not be too extreme. You don't pair a bitter with a sweet. And you don't serve a heavily seasoned entree with a bland vegetable." In fact, McKenna points out, the addition of complementary spices, seasonings or even sauces can be used to bridge the gap between two flavors. "Corn-on-the-cob may be an appropriate accompaniment to a sweet fish," he illustrates, "but if you season it with fresh basil, it becomes ideal."

But some vegetables, no matter how skillfully prepared or prettily presented, just do not make it with customers. Some particular non-favorites are brussels sprouts, cabbage and root vegetables, such as turnips or rutabagas. "Brussels sprouts just don't turn people on," says Michel LeBorgne. "I've tried splitting them in half and serving them with a carrot and rutabaga 'bundle' on top. A beautiful presentation, but the brussels sprouts were always left on the plate."

In sum . . .

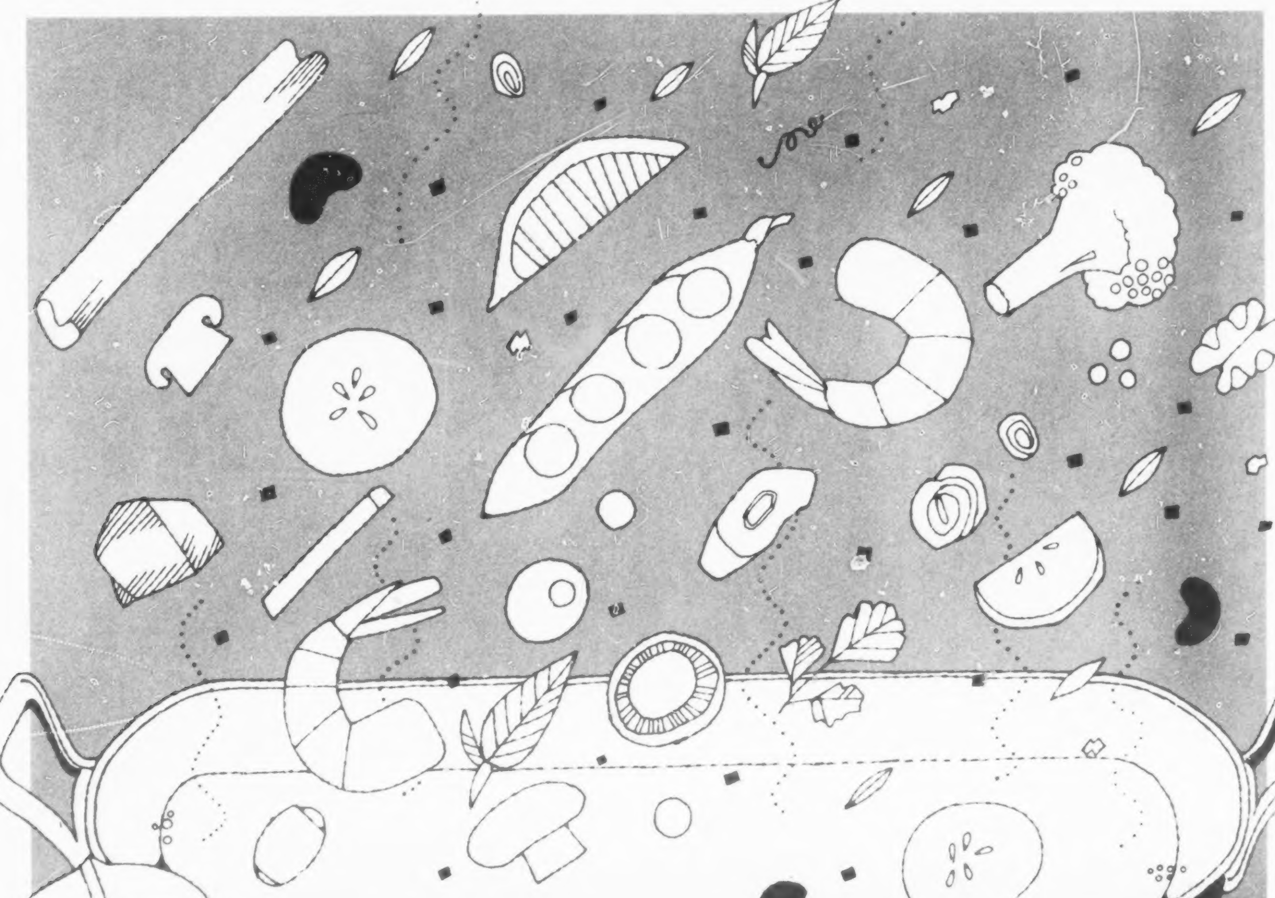
Fresh vegetables of all kinds are available from suppliers as never before. Your customers are demanding culinary excitement as never before. Combine these facts with a bit of experimentation and ingenuity, and you will discover just how vegetables can rejuvenate your menu. ❑

How cooking affects the nutritional merit of food

Cooking can either enhance or undermine the nutritional value of food. Cooking renders most foods more palatable, tasty and digestible. In some cases, it actually makes nutrients more available to the body. But, not all nutrients react to heat in the same way. For example, proteins, minerals and fats are essentially unchanged in their nutritive merit after usual cooking procedures. Vitamins, however, may be completely destroyed or unaffected by cooking, depending on which vitamins are present and which cooking methods are used. For example, vitamin C is sensitive to heat and easily destroyed. Yet, some cooking techniques protect this fragile vitamin. A baked potato contains valuable amounts of vitamin C while french fries do not. Between baking and french frying, there is a 50-fold increase in fat and a 45 percent loss of vitamin C.

Time and temperature are key . . .

Both time and temperature are critical to preserving nutrients. Cooked food kept hot longer than a few minutes will lose most of its vitamins. The higher the temperature, the more rapid will be the loss. Soups, steam table items and hot buffet dishes are particu-



larly vulnerable. Keep holding time to an absolute minimum. Best yet: don't hold—cook just before serving.

By the same token, stir-frying vegetables for only a minute or two, or lightly steaming them until they are still crisp yet tender, is one of the best ways to retain nutrients. An added bonus is the bright color and texture that remain.

The two greatest hazards to nutrient loss are excess cooking time and loss of nutrients in the cooking liquid.

The handling of food prior to cooking also affects the retention of nutrients. Old vegetables not only wither and discolor, but they also lose their nutrients. Cold temperatures retard nutrient loss, so keeping refrigerators at minimal temperatures is a good idea. Reducing exposure to air also favors nutrient retention. This is especially true for meats, seafood and dairy foods, so keep foods well-wrapped to exclude as much air as possible.

Surface area can promote nutrient loss. Because finely chopped, pureed and sliced foods have greater surface area than do their whole or chunk counterparts, they risk a greater chance for nutrient loss by their increased exposure to air. While small pieces cook more quickly than large, take care to serve them immediately, lest the combined action of oxygen and heat inactivate valuable nutrients.

Increasing nutrient availability . . .

Cooking can promote nutrient availability. In the case of cereals, grains and legumes, the starch and other nutrients become more digestible and available to the body after cooking. When all cooking liquid is retained, as in the preparation of rice, nutrients are not lost. Some nutrient loss may be expected owing to the heat and cooking time, but saving the cooking liquid as part of the recipe or to add to the stockpot conserves vitamins and minerals.

The two greatest hazards to nutrient loss are excess cooking time, which is likely to destroy nutrients, and loss of nutrients in the cooking liquid. Cooking in large amounts of liquid and later draining removes many water-soluble vitamins and minerals. The answer is to use small amounts of liquid and to save all cooking liquids for use in soups and sauces.

Microwave cooking excels in preserving nutrients so long as the food is not overcooked.

Microwave cookery excels . . .

Microwave cookery excels in preserving nutrients so long as the food is not overcooked. Because it is not necessary to add cooking liquid when microwaving, water soluble nutrients are not leached out and lost. Short cooking times also reduce nutrient losses.

Some cooking methods, such as frying, change the nutritional worth of foods by adding ingredients that are not needed. Frying preserves vitamins and minerals because it uses short cooking time, but it also adds fat. To make matters worse, the kinds of fat frequently used in restaurants—butter, lard, bacon drippings, shortening and hydrogenated vegetable oils promote heart disease. Not only do we already eat too much fat, but we also eat too much of the unhelpful kinds of fats. What to do? Use only a small and measured amount of oil in cooking. Use olive oil and unhydrogenated vegetable oils instead of animal and hydrogenated fats. Better yet, promote methods of cooking which do not rely on the addition of fat. Steam, bake, broil, poach, roast, barbecue and stir-fry instead.

One problem in some foodservice establishments is the repeated use of frying fat. When fat is frequently reheated to high temperatures, like those used in deep frying, chemical changes occur in the fat that compromise the little nutritional value it may have. Any fat-soluble vitamins are likely to be completely destroyed, and the unsaturated fatty acids that we would like to consume will become oxidized and thus nutritionally unhelpful to our bodies.

Questions about charred foods . . .

Barbecuing over a heat source is a popular and generally healthy form of cookery because little or no fat is used. The nutritional concern with this method, however, is the charring. While the flavor of charred food may appeal to some people, there are worries that charred food may contain cancer-causing substances. These substances may be formed when fat drips onto the coals, forming hazardous compounds that are then carried back to the food in the smoke. The safest procedure is to remove any heavily charred portions before serving.

A current rage is Cajun-style seafood that is totally blackened in a hot dry pan. The charred coating is formed differently from that produced by cooking over coals, but there is a lot more we need to find out about the safety of this cooking method before being assured that the charred foods it produces are entirely safe.

And what about no cooking at all? For many fruits and vegetables, this is the paramount way of retaining nutritious goodness. As long as the food is clean, there is no problem. Most cereals and grains, however, require cooking to make them digestible and palatable.

The hazard of consuming raw meats is the possibility of ingesting parasites invisible to the eye. Bacterial contamination from handling is also a risk. Beef and lamb can safely be consumed cooked rare, but pork needs to be thoroughly cooked.

Like meat, raw seafood has the possibility of containing parasites and disease organisms. Although it is popular, raw seafood is risky. Because little cooking is required to make seafood safe and tasty, virtually all of its nutritional treasures will be retained.

In sum . . .

The best way to retain nutrients? Little liquid, little time, little wait.

—Joyce A. Nettleton, D.SC., R.D., Nutrition consultant, Lexington, MA

by Robert E. Harrington

How to protect your restaurant against foodborne illness

A new approach to sanitation inspection

As health departments gear up to implement a new regulatory program for sanitary inspection of foodservice operations,* NRA NEWS *begins a four-part series to introduce a streamlined version of that program called SAFE (Sanitary Assessment of Food Environment).

Someday soon, representatives of your local health department may contact you to arrange an inspection of your restaurant. Instead of the traditional 20 or 30-minute overview of general cleanliness, they may, following guidelines commonplace in the food processing industry, ask to review your menus, recipes and step-by-step preparation schedules and examine orders and invoices from your wholesale suppliers. Then, they may want to arrange a 12 to 18-hour inspection of the kitchen, taking samples for laboratory analysis, measuring different food acidities and recording food temperatures every 30 minutes.

This is all part of a new approach to sanitation inspection called Hazard Analysis/Critical Control Point (HACCP). Actually, the concept of monitoring food handling at critical control points is not new. It has been used in major food processing firms since the 1970s. Using chemistry and bacteriology to identify which specific foods are at greatest risk and flow charts to identify the specific locations in the processing line where food hazards are likely to occur, the system establishes critical control points to ensure that any hazards have been corrected. After some experimental surveys in restaurants, several local regulatory jurisdictions, such as those in New York state, are now gearing up to implement the technique in their restaurant inspection programs. Why the change? And what will it mean for your operation?

Traditionally, inspection programs have focused on construction details and aesthetic appearance—an approach that has paid off in enhanced maintenance and cleaning.

The new approach . . .

But these past successes may not suffice today. A restaurant could conceivably score a high grade for clean floors, walls and ceilings on a "traditional" inspection but still have dangerous defects in food handling. Investigation of foodborne disease outbreaks consistently reveals that the major factors which cause bacterial illnesses are

- food preparation several hours or more in advance of service
- inadequate hot storage of foods
- inadequate cooling of foods
- inadequate reheating of foods and
- contamination of foods by infected workers or other sources.

That is why you should consider a new approach to inspection—one that is based on monitoring the food preparation process. This approach should not only help reduce the risk of an outbreak at your facility but should also put you one or two steps ahead of the regulators.

The concept is really nothing more than what many good sanitarians and conscientious restaurant operators have been doing for generations. It is just more structured and formalized.

This series will work toward such a program, which streamlines the formal academic approach to hazard analysis. It will be called SAFE—an acronym for Sanitary Assessment of Food Environment.

The strict regulatory program calls for health departments to concentrate their inspection efforts on "high risk" establishments (based on type of menu, volume of meals served and past history) and to further concentrate on *potentially hazardous foods* which are particularly sensitive to mishandling. The sanitarian might ask to review your menu, and then might diagram your entire preparation process to identify *critical control points* for monitoring. Then, on subsequent inspections he may simply check to see if you have monitored those control points and what corrections you have made.

The concept is really nothing more than what many good sanitarians and conscientious restaurant operators have been doing for generations. It is just more structured and formalized, and like any new system, it can initially appear a little overwhelming.

With 45 billion meals eaten in restaurants, schools and work cafeterias each year, the annual incidence of foodborne disease attributable to foodservice establishments is very low. Overall the industry is doing a good job of preventing foodborne diseases. But outbreaks do occur, and when they do, they are expensive.

Cost analysis of foodborne diseases shows that the average outbreak costs an implicated restaurant $73,858 in medical charges, lost wages, lost business,

Robert E. Harrington is assistant director of technical services and public health and safety for the National Restaurant Association.

etc. Lawyers' fees and legal claims make up a large part of these costs. Since ill customers are likely to sue the restaurant for damages in today's climate of high judgments, this leads to further increases in liability insurance premiums or cancellation of insurance coverage.

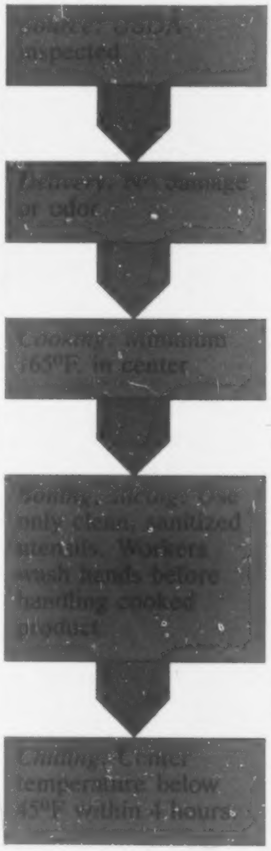
You should consider a new approach to [illegible] monitoring the food preparation process.

How SAFE works . . .

With the SAFE approach, you can monitor and reduce risks. You can review your menu yourself, select one or two "high risk" foods and then follow those foods throughout the entire handling and preparation process—from delivery by the vendor to service at the table. As you follow food items through each preparation step, you can identify *critical points* where the food might become contaminated, where bacteria might survive cooking temperatures and where bacteria might grow if food is held at incorrect temperatures. Once you identify these *critical points*, you can devise corrective techniques and instruct your staff how to monitor those points for consistency, high quality and safety. When new menu items are introduced or when emergencies force a change in your processing schedule, you will be able to spot potential problems before they occur and make the necessary adjustments.

Although industrial monitoring requires fairly sophisticated field equipment and laboratory analysis, a basic SAFE survey of your operation involves almost no equipment and very little cash expense. You will need two or three good quality dial-indicating probe-type thermometers, with stems long enough to reach the *center* of large food masses, such as roasts or foods in stockpots. (It might be a good idea to get several different lengths for different food volumes.) Use only the dial-indicating thermometers—liquid-filled glass columns can easily break, contaminating foods with glass and mercury.

Food Protection Flow Chart
Food: Turkey*


Source: USDA-inspected
Delivery: No damage or odor
Cooking: Minimum 165°F in center
Boning, slicing: Use only clean, sanitized utensils. Workers wash hands before handling cooked product.
Chilling: Center temperature below 45°F within 4 hours.

**(Each box represents a critical handling point, with the items to be monitored at that point.)*

You also will need some basic information about bacteria and food chemistry to help you identify potentially hazardous foods and the controls you can apply during preparation and processing. We will discuss these topics next month in the second part of this series.

But most importantly, you will need to invest your time and commitment. Time is necessary because you must directly observe the entire preparation process. Commitment is vital because you must be willing to recognize potential hazards and make the appropriate corrections in your program.

SAFE monitors three key areas . . .

Being SAFE involves monitoring three general areas of food protection: "Keep it Clean" (prevents contamination of foods) and "Keep it Hot" and "Keep it Cold" (kills or inhibits bacteria through temperature control).

Chances are, you already address these areas with some commonsense procedures.

For example, when you purchase turkey from a reputable supplier, you are *preventing contamination* because you are using foods from inspected, approved sources.

When you inspect the shipment for soundness at delivery (no damage or odor), you are also *preventing contamination* by ensuring that only food in the best condition comes to your kitchen.

When you cook the turkey thoroughly (165°F in the center), you are using *high temperature* to *kill* bacteria.

When you use clean, sanitized utensils to bone the meat and when your employees wash their hands before handling the cooked product, you are *preventing cross-contamination*.

And when you chill the boned meat rapidly, you are using *temperature control* to *inhibit bacterial growth*.

Of course, this is an oversimplified view, but it does illustrate how the SAFE process works:

(1) Identify potentially hazardous foods.

(2) Observe those foods throughout your preparation, holding and serving processes to identify critical points in the line.

(3) Establish control procedures and monitor those critical points to guarantee safe handling of the food.

Some of these critical control points may seem so obvious that it is almost insulting to include them in your observations. But remember that most foodborne illnesses are caused by *human error*, as when people take shortcuts or bypass the proper procedures.

For example, consider the cook who cut up raw chicken, then used the same knife and cutting board to prepare salad. Cooking killed the Salmonella in the chicken, but salad customers were infected.

When you look critically at your operation, you will find many more control points, including quality control points as well as sanitary control points. You can monitor staff accountability, product consistency and portion control and establish process safeguards to make your operation safe from an outbreak of foodborne illness.

Next month: *Basics of bacterial growth, food chemistry and the interacting conditions that make some foods potentially hazardous.*

THE BOARD ROOM

Balestreri and Scott lobby Democratic Business Council

NRA President Ted Balestreri, left, and NRA Director C. Marshall Scott share their views with Congressman Richard A. Gephardt (D-MO), right.

As part of NRA's Political Education Committee's ongoing effort to strengthen ties with key legislators and facilitate dialogue between Congress and the foodservice industry, NRA President Ted J. Balestreri (Sardine Factory, Monterey, CA) and Director C. Marshall Scott (Marshall Scott Enterprises, Inc., St. Louis, MO) recently attended the Democratic Business Council's winter meeting at the Hotel del Coronado in San Diego, CA. During the meeting, Balestreri and Scott discussed tax simplification and the catastrophic effect of any reduction in the business marketing meal deduction with Congressman Richard A. Gephardt (D-MO), and other national legislators. Gephardt is a member of the influential House Ways and Means Committee and co-author of the Bradley-Gephardt tax reform bill.

NRA board members spotlight liability crisis

As part of NRA's commitment to remedy the liability crisis affecting the nation, members of the NRA Board are visiting the media in major metropolitan areas to discuss the effects of the escalating number of suits and skyrocketing settlements.

In Boston, NRA Directors Stephen E. Elmont (Creative Gourmet, Ltd., Boston, MA) and Paul Lazar (Wharf Tavern, Inc., Warren, RI) appeared as guests on radio and television programs and visited the editorial offices of the *Boston Globe* and *The Christian Science Monitor.* A 600-word guest editorial by Steve Elmont appeared in the March 9 issue of the *Boston Herald.*

In New York City, Paul Lazar spoke with The MacNeil/Lehrer Newshour, Financial News Network, ABC and RKO Radio and with the editorial page editor of the *New York Daily News.* Honorary Board Member Michael O'Neal (The Ginger Man Group, New York, NY) shared his views on the liability issue with the editorial board of the *New York Post.*

—Dorothy Dee

NRA honored by American Vocational Association

NRA was one of only two organizations to receive the American Vocational Association's (AVA) "Award of Merit" in 1985, which is "given in recognition of individuals or organizations outside the field of vocational education for the highest meritorious contribution to the improvement, promotion, development and progress of vocational, technical and/or practical arts education." Human Resources Chairman Victor Impeciato (Vittorio's, Atlanta, GA) accepted the award on behalf of NRA.

At the AVA convention, Impeciato also conferred NRA's Award of Excellence in Foodservice Education on the Hospitality Management and Administration program of Asheville-Buncombe Technical College in Asheville, NC. Impeciato presented the award to Rick Johnson, the director and creator of Asheville-Buncombe's program.

NRA Director Victor Impeciato presents NRA's Second Annual Award of Excellence in Foodservice Education to Rick Johnson, director of the Hospitality Management and Administration Program at Asheville-Buncomb Technical College in Asheville, NC.

Fisher's Law #71

Teamthink

The concept of a group of people at work laboring in synchronized harmony with each person's motions choreographed with gear-meshing perfection, is the image that many of us bring to mind when we hear that word "teamwork." I have heard a number of executives extoll the virtues of teamwork (better efficiency, higher productivity, increased effectiveness, positive workplace environment, personal and organizational development, self-fulfillment, etc.), but when I talked to people within the same organization or observed what was actually occurring, the interpretation of "teamwork" turned out to mean "don't be negative," "don't be a road block," or "don't make waves on your own." The message that management wanted to convey, i.e., *do* the things that cause team-like functioning was often translated by employees into a series of "*do nots*."

The cause for this confusion, I believe, is that there has not been ample attention paid to the organizational progenitor of the concept of teamwork, namely, the concept of teamthink. If teamwork is acting in coordination with others, then teamthink is the ability (and willingness) of a group of employees to subdue their own individual predilections and think in the manner they believe that others in the organization are thinking to the best interests of the organization.

When I was in management consulting, I used the following exercise to get this point across.

Instructions: Answer these questions as you believe most other persons in your organization would respond, not necessarily in the manner you would respond as an individual.

Questions:

1. I'm going to flip a coin. Call "heads" or "tails."
2. Think of a color. Write it down.
3. Think of a common first name for a man. Write it down.
4. Pick a number from 1 to 100. Write it down.
5. Circle one of the following: $1.00 $10.00 $100.00 $1,000.00

Responses: Remember that people have been asked to reply not as independent thinkers but in the manner they believe all the other members of the group would answer.

1. Each act of flipping a coin is independent of the preceding or succeeding flip, so that there is every probability that out of 10 coin tosses, five would come up heads and five would come up tails. Most people will call "heads," however; and the person who might be inclined to call "tails" is moving toward teamthink if he/she subordinates that impulse in favor of a group-perceived response of "heads."

2. The majority of people will answer "red," "blue" or "green," in that order of popularity. An individual, thinking as an individual, might pick a favorite color, such as yellow or purple, but, again, teamthink would cause most people (over half) to reply "red." Usually, 80 percent of the group answers with either "red" or "blue."

3. "John" and "Bill" are the first names most commonly selected. ("Mary" is the female counterpart.) If a person answered this question with an unusal first name (Percival, Lance, etc.), that person would not be moving toward teamthink. That person would be "out of sync" with the group if he/she seriously believed that *everyone* else in the group would think of such an offbeat name.

4. The largest plurality of people will write "99," followed by a smaller group that will write "50." Among business persons, "100" is also popular. If teamthink is developing within the group, those three numbers will account for about 90 percent of all responses. When people respond as individuals, they often write down their age, the day of the month or some number they think is lucky.

5. Most people will circle $1,000.00 since when it comes to money, most people like large amounts. A few people will circle $1.00 since it's "first in order" when reading from left to right. About 95 percent of the people in the group will select $1.00 or $1000.00.

These are only a few of many examples that can be effective in causing group members to recognize that there are times when unity—not individuality—of thought is called for. If you ever try this exercise, ask group participants to first respond as individuals. Ask the questions a second time on the basis of teamthink. You'll be surprised how many people will change their answers.

Fisher's Law #71. In organizations, *TEAMWORK* is at its best when there is a high degree of *TEAMTHINK* among employees.

Member to New Member

NRA's 1986 membership drive

Recruit a new NRA member and receive a 20% discount off next year's renewal dues. You will receive an additional 20% off your dues for each member you recruit. By signing up 5 new members, a current NRA member will qualify to receive next year's membership free.*

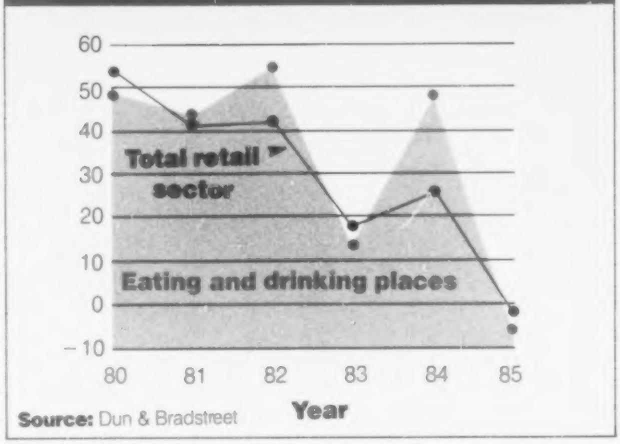
PLUS a bonus drawing for recruits

Each qualified NRA membership recruiter** will be eligible to win in a vacation trip drawing. The vacation drawing will take place at the NRA Show in Chicago this May. The winner will have an opportunity to visit one of America's culinary capitals: New York, Los Angeles or San Francisco. Accommodations to be provided by Hyatt Hotels.

*To receive a recruiter's discount on next year's NRA membership dues, new member's dues must be at least equal to recruiter's discount.
**New memberships must be properly documented. Special application forms are being mailed to all NRA members along with more information on the NRA 1986 membership drive.
You need not be present at the NRA Show to win.

More restaurants survive in 1985

*This article will examine the most up-to-date eating and drinking place failure statistics from Dun and Bradstreet.**


Percent change in number of failures

Source: Dun & Bradstreet

In today's increasingly competitive market, keeping a restaurant afloat is a challenge. As many operators know, a restaurant's success hinges on a variety of factors, including an innovative concept, a solid market position, a top-notch management team and adequate capital. Less well-known is the sensitivity of eating and drinking places to changes in the economy. Consumer confidence, disposable income and the employment picture all affect the overall health of the industry.

Typically, when the economy flourishes, so do restaurants; and when the economy is in recession, restaurants find it more difficult to compete and stay in business. As a result, the failure rate for eating and drinking places generally declines during an economic upturn and increases during an economic downturn.

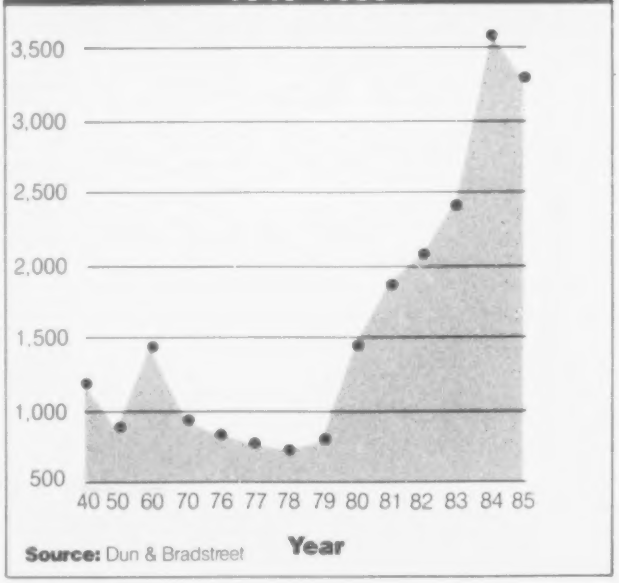
According to Dun and Bradstreet, which tracks business failures for many types of industries, the number of restaurant failures declined in 1985, after posting significant increases in the early 1980s. The failure rate for 1986 should continue to fall as the industry heads into its sixth consecutive year of real, inflation-adjusted, sales gains.

Number of restaurant failures declines . . .

Reflecting a much improved economic situation, the number of restaurant failures declined a significant 6.8 percent in 1985. This decline marks a considerable improvement from 1984, when restaurant failures climbed 48.8 percent, and is the first decrease since 1978, when the number of failures fell 15.0 percent. However, the actual number of failures is much higher today than at any other time, as is indicated in the accompanying table.

In 1984, according to Dun and Bradstreet analysts, the industry was still feeling the effects of the back-to-back recessions of the early 1980s; and as a result, many eating and drinking place owners found that despite a brighter economic outlook they could no longer hold onto their businesses. Others were eliminating less profitable concepts in order to concentrate on more profitable ones.

Another way of looking at restaurant failures is to examine the number of failures per 10,000 operations. In 1984, the eating and drinking place failure rate was 157.6 per 10,000 establishments, up considerably from 95.9 per 10,000 establishments in 1983 and 88.9 per 10,000 units in 1982. Although a failure rate is not available for 1985, Dun and Bradstreet analysts expect the rate to decline from 1984, due to the continued economic recovery from the 1982 recession.


Number of eating and drinking place failures 1940–1985

Source: Dun & Bradstreet

The failure rate for eating and drinking places ranked second among all retail industries, with only apparel and accessory stores recording a higher failure rate—179.8 per 10,000 operations. The average failure rate for the total retail sector was 112.7 per 10,000 outlets.

Liabilities up in 1985 . . .

Liabilities incurred by eating and drinking places rose 13.2 percent in 1985 to $616 million. This is a considerable increase over the 3.8 percent decline posted in 1984 but substantially less than the 42.6 percent gain in 1983 and the 48.7 percent gain in 1982. One reason for the increase in liabilities is the continuing rise in restaurant operating costs.

—*Susan Adelman*

**Dun and Bradstreet statistics do not represent total business bankruptcies. Failures reported here include only those concerns involved in court proceedings or voluntary actions with loss to creditors. Businesses that have paid off their creditors are not included.*

Failure rate for specific retail industries 1984

Line of business	**Failure rate per 10,000 concerns**
Apparel and accessory stores	179.8
Eating and drinking places	**157.6**
Camera/photographic supply stores	146.6
Sporting goods	126.6
Furniture/home furnishing stores	122.4
Hobby, toy and game shops	117.2
Jewelry stores	115.6
Stationery stores	102.3
Building materials/garden supply	96.9
Food stores	96.1
Book stores	94.3
Luggage and leather goods stores	84.4
Gift, novelty and souvenier shops	78.2
Automotive dealers/service stations	76.9
General merchandise stores	75.2
Liquor stores	74.2
Sewing/needlework/piece goods	72.0
Used merchandise stores	43.2
Drug and proprietary stores	41.2
Fuel and ice dealers	35.1
Total retail	**112.7**

Source: Dun & Bradstreet

Why do restaurants fail?

A restaurant can go under for any number of reasons. In addition to economic considerations, factors contributing to a restaurant's failure include a poorly developed concept, over capitalization, high operating costs, overzealous expansion and lack of managerial experience. According to Dun and Bradstreet, nine out of 10 business failures are due to poor management.

To prevent failure . . .

Restaurant operators must stay on their toes to keep their businesses on the right track. Because the restaurant industry is highly sensitive to changes in the economy, operators must formulate strategies to weather periods of economic downswings and to take advantage of periods of economic growth. One way restaurateurs can build traffic and sales is to adapt to changing consumer wants and needs. By carefully tracking these changes, operators can fine-tune their operations to boost their restaurant's overall success. Furthermore, by keeping abreast of the latest industry trends and innovations, restaurateurs can better insure their operations' profitability.

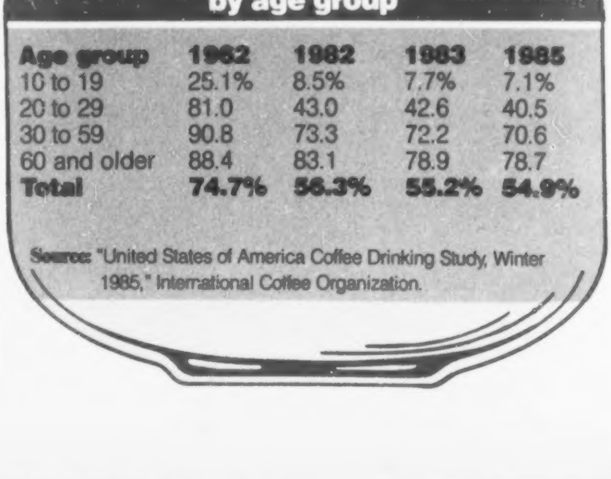
Beverage choices are changing

This article examines beverage consumption, focusing on changing beverage preferences and major demographic trends that are influencing consumer beverage choices.

Consumers are thirsting for more beverages now than ever before. In 1984, each man, woman and child in the U.S. downed an average of 108.3 gallons of nonalcoholic beverages, such as soft drinks, milk, tea, coffee and juice. This represents an impressive 11.1 percent increase over 1964 when per capita consumption was a lower 97.5 gallons. Consumption of beer, wine and distilled liquor for adults age 21 and older has also increased—from 18.9 gallons in 1964 to 42.5 gallons in 1984.

However, individuals are not quaffing the same types of beverages today as they did in the past. Greater awareness of nutrition and health concerns have negatively affected consumption of beverages high in calories, caffeine and fat, such as coffee and whole milk. On the other hand, enthusiasm is bubbling over for decaffeinated coffee, skim and low-fat milk, fruit juices and diet soft drinks. In addition, soft drinks with real fruit juice and those that are caffeine free also appeal to the nutrition-conscious consumer.

Demographic shifts also have prompted changes in the consumption of various beverages. For example, declining milk consumption can be traced to a decline in the number of teenagers and children, two groups considered to be the major consumers of milk. Aging baby boomers are switching to more upscale libations, such as bottled waters, low



Percent coffee consumption by age group

Age group	**1962**	**1982**	**1983**	**1985**
10 to 19	25.1%	8.5%	7.7%	7.1%
20 to 29	81.0	43.0	42.6	40.5
30 to 59	90.8	73.3	72.2	70.6
60 and older	88.4	83.1	78.9	78.7
Total	**74.7%**	**56.3%**	**55.2%**	**54.9%**

Source: "United States of America Coffee Drinking Study, Winter 1985," International Coffee Organization.

alcohol wines and exotic liqueurs. And working women, a group which continues to grow, have upped their consumption of wine coolers, reduced calorie beers and diet soft drinks.

Soft drinks most popular . . .

Consumers are downing more soft drinks now than ever before. In 1984, the average individual drank an astounding 44.2 gallons of soft drinks, up from 26.7 gallons consumed in 1974, according to the U.S. Department of Agriculture (USDA). In addition, soft drinks represented almost one-third (32.2 percent) of all beverages (excluding water) consumed in 1984, versus only 21.0 percent in 1974.

The profile of today's soft drink sipper is almost universal, encompassing practically all demographic segments. However, certain groups consume more soft drinks than others. For example, USDA research has shown that teenagers and young adults are the most avid consumers of soft drinks. On the other hand, older adults tend to favor other beverages.

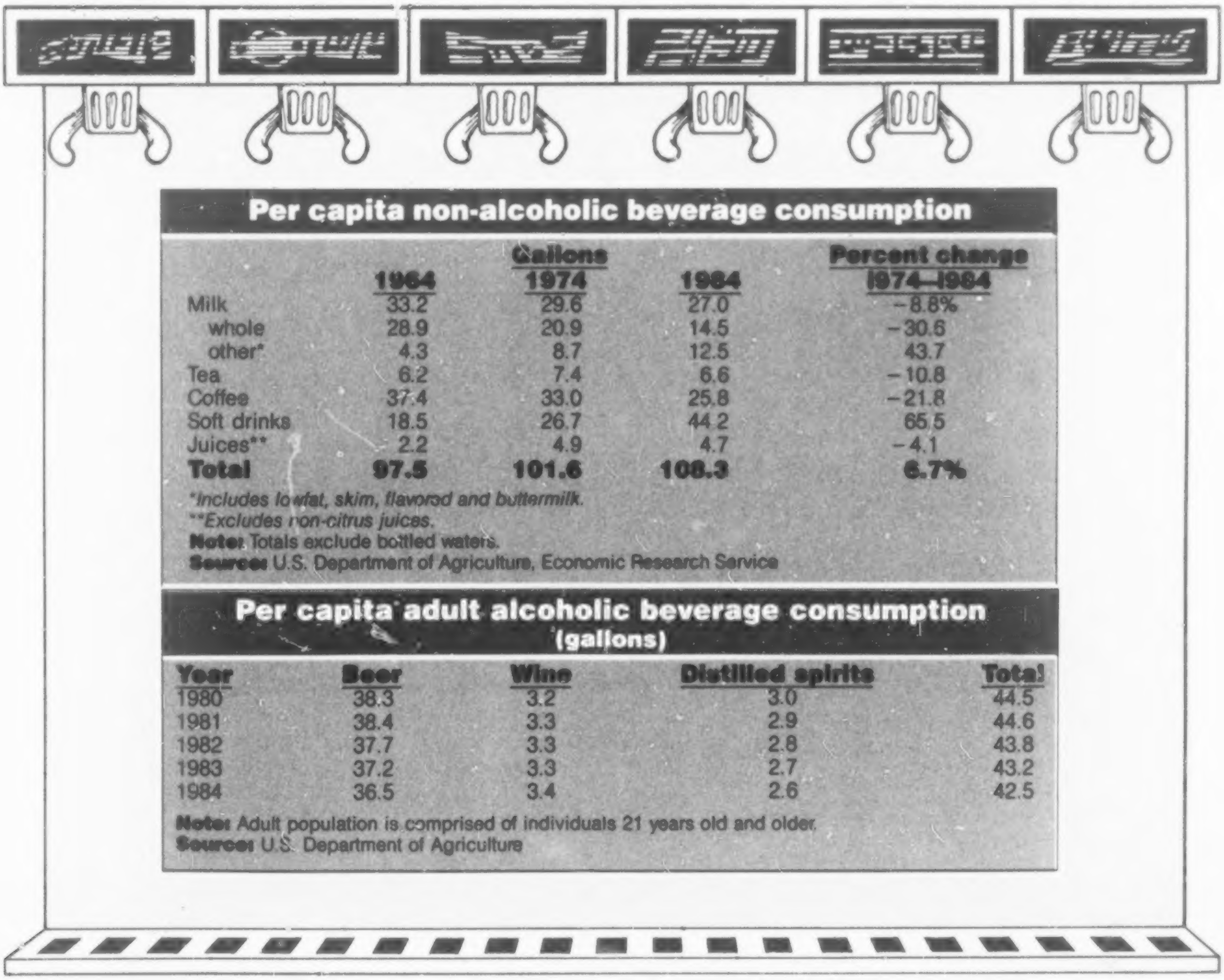
Much of the growth in the soft drink segment has been directed toward developing products compatible with the nutrition needs and health concerns of the population. Soft drink manufacturers now offer more low calorie, low caffeine soft drink alternatives. In addition, some soft drinks boast low sodium contents while others are vitamin enriched.

Consumers have expressed a willingness to try alternative types of soft drinks, such as caffeine-free sodas, when dining away from home. Results from a 1984 Gallup survey reveal that one out of four consumers indicated they were either very likely or fairly likely to order caffeine free sodas if they were offered at restaurants.

Low calorie soft drinks are also enjoying a surge in popularity. According to the CREST *Household Report*, the number of occasions on which a diet soft drink was ordered jumped 43.0 percent between 1982 and 1985. Much of this increase is the result of the growing number of working women, a group that typically consumes the most diet drinks.

Milk consumption declines . . .

Consumers are not drinking as much milk as they did in the 1960s and 1970s. In 1984, the average individual drank 27.0 gallons of milk, which translates into 216 eight-ounce glasses per person. This figure is down from the 29.6 gallons per person consumed in 1974. In addition, it represents a dramatic 18.7 percent decline in milk consumption since 1964 when consumers



Per capita non-alcoholic beverage consumption

	Gallons			Percent change
	1964	1974	1984	1974–1984
Milk	33.2	29.6	27.0	−8.8%
whole	28.9	20.9	14.5	−30.6
other*	4.3	8.7	12.5	43.7
Tea	6.2	7.4	6.6	−10.8
Coffee	37.4	33.0	25.8	−21.8
Soft drinks	18.5	26.7	44.2	65.5
Juices**	2.2	4.9	4.7	−4.1
Total	**97.5**	**101.6**	**108.3**	**6.7%**

**Includes lowfat, skim, flavored and buttermilk.*

***Excludes non-citrus juices.*

Note: Totals exclude bottled waters.

Source: U.S. Department of Agriculture, Economic Research Service

Per capita adult alcoholic beverage consumption (gallons)

Year	Beer	Wine	Distilled spirits	Total
1980	38.3	3.2	3.0	44.5
1981	38.4	3.3	2.9	44.6
1982	37.7	3.3	2.8	43.8
1983	37.2	3.3	2.7	43.2
1984	36.5	3.4	2.6	42.5

Note: Adult population is comprised of individuals 21 years old and older.

Source: U.S. Department of Agriculture drank a healthy 33.2 gallons each. As a result, milk's share of total beverage consumption has declined from 28.5 percent in 1964 to 19.7 percent in 1984. CREST data also show that consumers are drinking less milk when dining away from home. According to the *Household Report*, the number of restaurant occasions on which milk was ordered fell 9.6 percent between 1982 and 1985.

Whole milk appears to be bearing the brunt of declining milk consumption. Consumption of whole milk plummeted from 28.9 gallons per capita in 1964 to half that amount in 1984. Fewer consumers of prime milk drinking age (ages 18 and under) is one factor which has negatively affected whole milk consumption. Also, whole milk has fallen out of favor with many health-conscious consumers because of its perceived high fat content.

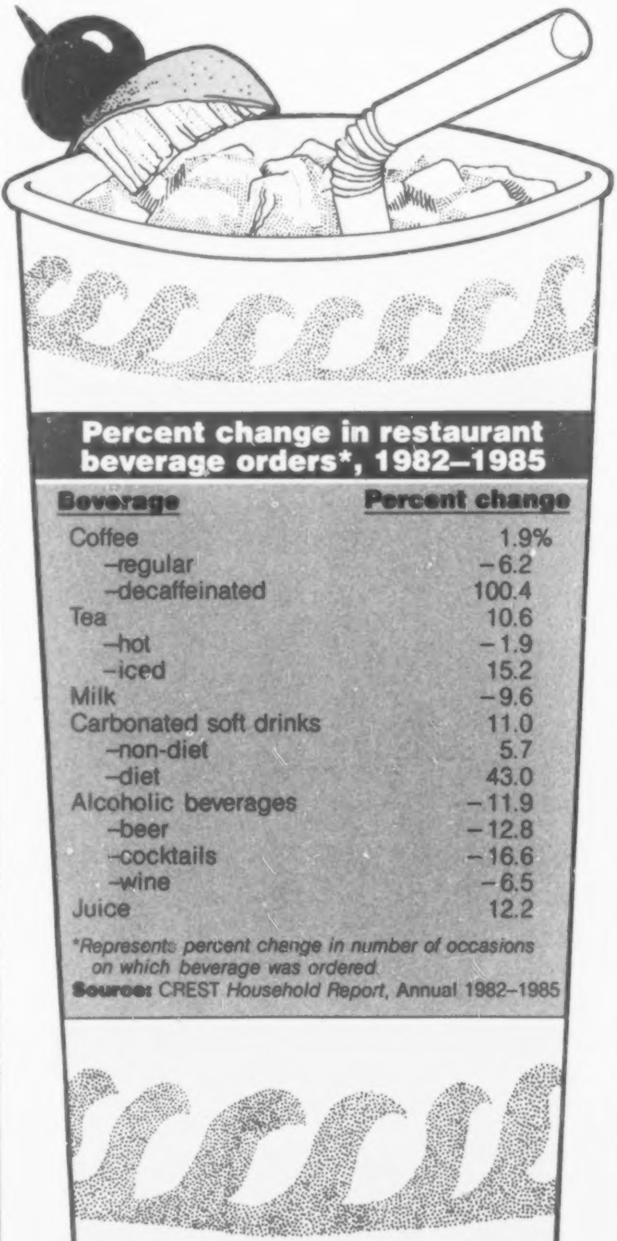
On the other hand, low fat and skim milks have risen in popularity. In fact, according to USDA research, the average consumer drank almost three times the amount of other types of milk (which include skim and low fat varieties) in 1984 than in 1964, 12.5 gallons versus 4.3 gallons. In addition, a Gallup survey conducted in 1984 revealed that over one-third (37.6 percent) of the consumers questioned stated they were likely to order low fat milk if it was offered at restaurants.

Coffee loses ground . . .

Consumers have cut back on the amount of coffee they drink. Per capita consumption totaled 25.8 gallons in 1984, down from 33.0 gallons in 1974 and significantly less than the 37.4 gallons quaffed in 1964. As a result, coffee's share of per capita total beverage consumption has declined dramatically—from 32.1 percent in 1964 to 18.8 percent in 1984. (See accompanying article.)

Declining consumption across all age groups has compounded coffee's woes and has contributed to coffee's slump in the beverage market. According to studies by the International Coffee Organization, slightly more than half (54.9 percent) of consumers were coffee drinkers in 1985 versus a much higher 74.7 percent in 1962.

While regular coffee is losing ground, decaffeinated coffee is perking up, especially at restaurants. CREST data reveal that between 1982 and 1985 orders for regular coffee at restaurants were down 6.2 percent. On the other hand, decaffeinated coffee was ordered twice as frequently in 1985 as in 1982. In addition, almost half (46.8 percent) the consumers surveyed in a 1984 Gallup study said they were likely to order brewed decaffeinated coffee at restaurants, one indication that today's trend towards more healthful eating and drinking has affected coffee consumption.



Percent change in restaurant beverage orders*, 1982–1985

Beverage	Percent change
Coffee	1.9%
–regular	–6.2
–decaffeinated	100.4
Tea	10.6
–hot	–1.9
–iced	15.2
Milk	–9.6
Carbonated soft drinks	11.0
–non-diet	5.7
–diet	43.0
Alcoholic beverages	–11.9
–beer	–12.8
–cocktails	–16.6
–wine	–6.5
Juice	12.2

**Represents percent change in number of occasions on which beverage was ordered*

Source: CREST *Household Report*, Annual 1982–1985

Alcohol consumption tapers off . . .

Consumption of alcoholic beverages is tapering off. In 1984, per capita consumption of beer, wine and distilled spirits by consumers 21 years old and older totaled 42.5 gallons, down from 43.2 gallons in 1983.

The decline in alcoholic beverage consumption may be traced to lower levels of beer and distilled spirits consumption and also to sluggish growth in wine consumption. Per capita beer consumption by individuals 21 years and older totaled 36.5 gallons in 1984, down from 37.2 gallons in 1983. Distilled spirits consumption totaled only 2.6 gallons per capita in 1984, the lowest level since 1965. In addition, per capita wine consumption for those 21 years old and older remained stable at 3.3 gallons between 1981 and 1983. In 1984, consumption rose slightly to 3.4 gallons.

Preliminary research for 1985 by the Distilled Spirits Council of the United States indicates that the trend towards reduced alcohol consumption continues. Per capita consumption of distilled spirits was down, beer consumption did not change and wine consumption was up slightly due in large part to the enormous success of wine coolers with working women and young adults. This trend towards drinking less alcohol mirrors the effects of recent campaigns against drinking and driving and reflects an overall increase in alcohol awareness among consumers.

CREST data indicate that the number of occasions on which any type of alcoholic beverage was ordered declined 11.9 percent between 1982 and 1985. Specifically, the number of occasions on which cocktails were ordered plunged 16.6 percent while beer and wine suffered declines of 12.8 percent and 6.5 percent, respectively.*

Fruit juice consumption on the rise . . .

In 1984, consumers drank more than twice as much citrus fruit juice as they did in 1964, 4.7 gallons versus 2.2 gallons. However, this is slightly less than the 4.9 gallons consumed in 1974, possibly because individuals are upping their consumption of non-citrus juices, such as nectars and vegetable juices.

Although fruit juice isn't just for breakfast anymore, the restaurant breakfast boom has probably helped boost fruit juice consumption away from home. Between 1982 and 1985, the number of restaurant occasions on which juice was ordered rose an impressive 12.2.

Iced tea favored over hot tea . . .

Per capita tea consumption in 1984 was 6.6 gallons, down from 1974's 7.4 gallons but still higher than the 6.2 gallons drunk per capita in 1964.

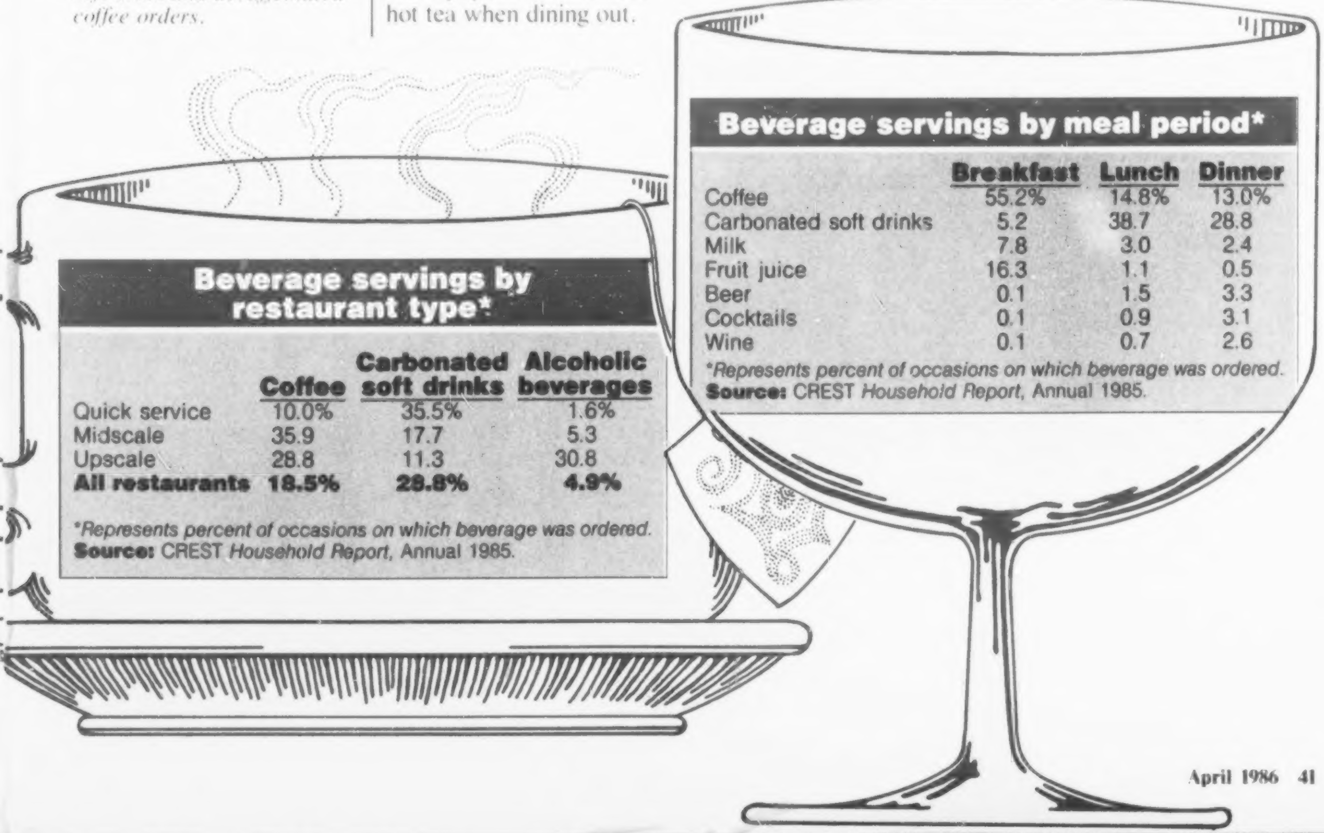
Iced tea appears to be a more popular choice than hot tea when dining out. According to CREST's 1985 *Household Report*, of all restaurant visits on which tea was ordered, iced tea was ordered three out of four times. In addition, the number of restaurant occasions on which iced tea was ordered increased 15.2 percent between 1982 and 1985 whereas the number of visits on which hot tea was requested declined 1.9 percent.

In keeping with today's heightened awareness of health and nutrition, some consumers are opting for decaffeinated tea blends. In fact, a Gallup survey conducted in 1984 found that 28.7 percent of the respondents said they were likely to order decaffeinated tea at restaurants. In addition, a wide assortment of herbal teas and other exotic flavored teas are now available, which further broadens tea's appeal to health-conscious consumers.

What consumers drink when they eat out . . .

What consumers order to drink in restaurants often depends on the time of day. For example, coffee and juice are the top sellers during breakfast while soft drinks are a popular beverage for lunch and dinner. Coffee (both regular and decaffeinated) was ordered on more than half (55.2 percent) the morning meal occasions, according to CREST's 1985 *Household Report*. The proportion of occasions on which regular coffee was ordered outdistanced the proportion on which decaffeinated coffee was ordered—49.2 percent versus 6.1 percent. Fruit juice was also favored as a morning eye-opener by restaurant patrons, ordered on 16.3 percent of all breakfast occasions in 1985. Other popular breakfast beverages include milk (7.8 percent) and tea (3.7 percent).

Most consumers prefer to drink soft drinks with lunch. Soft drinks, including non-diet and diet carbonated sodas, were ordered on four out of 10 lunchtime visits. Consum-



Beverage servings by restaurant type*

	Coffee	Carbonated soft drinks	Alcoholic beverages
Quick service	10.0%	35.5%	1.6%
Midscale	35.9	17.7	5.3
Upscale	28.8	11.3	30.8
All restaurants	**18.5%**	**28.8%**	**4.9%**

*Represents percent of occasions on which beverage was ordered.
Source: CREST *Household Report*, Annual 1985.

Beverage servings by meal period*

	Breakfast	Lunch	Dinner
Coffee	55.2%	14.8%	13.0%
Carbonated soft drinks	5.2	38.7	28.8
Milk	7.8	3.0	2.4
Fruit juice	16.3	1.1	0.5
Beer	0.1	1.5	3.3
Cocktails	0.1	0.9	3.1
Wine	0.1	0.7	2.6

*Represents percent of occasions on which beverage was ordered.
Source: CREST *Household Report*, Annual 1985.

**CREST data often understate the order incidence for beverages, especially alcoholic beverages. The reason is that diary panelists have a limited space for recording all food and beverage items ordered by all party members, and so beverages are often omitted. In addition, beverage orders intended for multiple diners, such as a bottle of wine, are often recorded as one order, which also may tend to understate the order incidence for these beverages. However, NRA believes the data are correct in reflecting trends, such as declining alcoholic beverage orders and increasing diet soft drink and decaffeinated coffee orders.*

ers ordered non-diet sodas on more occasions than they did diet sodas, 30.8 percent versus 7.9 percent. The second most frequently ordered lunchtime beverage was coffee, which was requested on 14.8 percent of all lunch-time occasions. Tea (both hot and iced) placed third with 10.9 percent of occasions, and milk followed with 3.0 percent. Alcoholic beverages, including beer, wine and cocktails, were requested on only 3.1 percent of all lunchtime occasions in 1985.

Soft drinks retain first place as the most popular beverage at dinner. In 1985, consumers ordered soft drinks on 28.8 percent of all dinner visits. Non-diet soft drinks were ordered on 24.0 percent of those occasions while diet soft drinks were requested on only 4.8 percent. Coffee was the next most frequently ordered beverage (13.0 percent of occasions), and tea ranked third (9.0 percent). Not suprisingly, orders for alcoholic beverages were higher at dinner than for other meal occasions. Beer was tops (3.3 percent), but cocktails and wine followed closely, ordered on 3.1 percent and 2.6 percent of occasions, respectively.

Consumer beverage preferences are influenced by the time of year as well as the time of day. For example, CREST data show that coffee, hot chocolate, hot tea and milk are ordered more frequently in the winter; whereas, iced tea, soft drinks and juice are favorite summertime thirst quenchers.

What you drink may depend on where you are . . .

What consumers choose to drink at restaurants may be influenced by the type of restuarant they choose to visit. For example, soft drinks are the most popular potable at fast food restaurants. According to CREST data, carbonated soft drinks were ordered on more than one-third (35.5 percent) of all fast food restaurant visits compared with only 17.7 percent of midscale occasions and an even lower 11.3 percent of upscale restaurant visits.

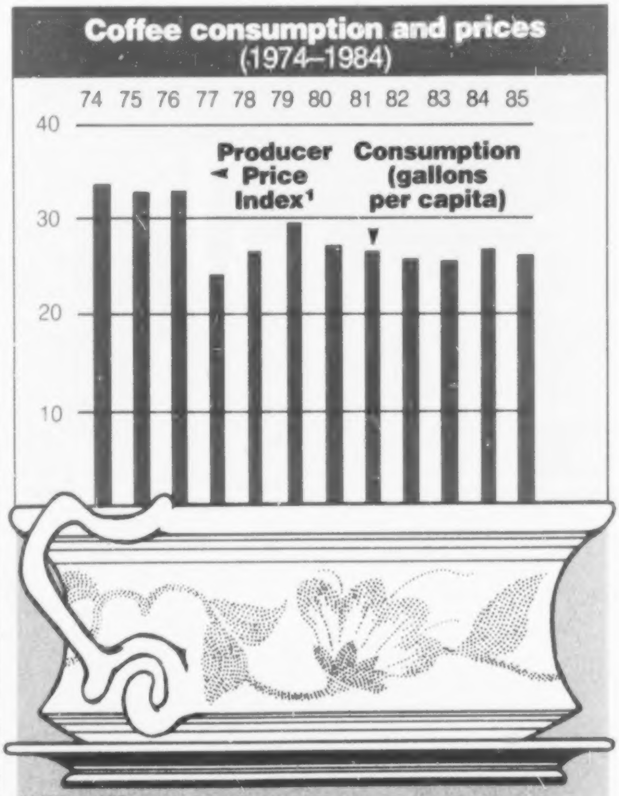
Coffee reigns number one at midscale eateries, ordered on approximately 35.9 percent of all midscale visits in 1985 compared with a lower 10.0 percent of quick service occasions. Many coffee shops, which rely heavily on breakfast and lunch business, are included in the midscale category, which may explain the large number of coffee occasions. In addition, coffee also was requested on a greater than average proportion of occasions at upscale dining establishments—28.8 percent.

Milk is also popular at midscale restaurants, ordered on 4.3 percent of occasions, versus 3.1 percent for all restaurants. However, milk dropped to on a lower 2.6 percent of occasions at quick service and upscale restaurants.

Alcoholic beverages are ordered more frequently than any other type of beverage at upscale restaurants. In 1985, alcoholic beverages were ordered on three out of 10 visits, compared with only 5.3 percent of midscale restaurant occasions. Fast food restaurants came in last, with only 1.6 percent of occasions involving orders for alcoholic beverages. At upscale restaurants, cocktails were favored over wine, but wine was ordered more frequently than beer. On the other hand, beer is tops at midscale and quick service restaurants, while orders for cocktails and wine account for smaller proportions of traffic at these restaurants.

Coffee supplies are grinding to a halt

As supplies decline and prices push skyward, restaurateurs may want to consider alternative coffee varieties and other beverages.



Coffee consumption and prices (1974–1984)

¹1967 = 100

*Estimated

Source: Bureau of Labor Statistics, United States Department of Agriculture

Storm clouds are brewing on the coffee horizon. Overall consumption of coffee has dropped precipitously since 1964 when each consumer downed 37.4 gallons of coffee. By 1984, according to USDA, per capita coffee consumption was 25.8 gallons—a drop of 31.0 percent. According to preliminary estimates, coffee consumption for 1985 continues to move downward.

Why the decrease? There are two major reasons.

(1) An increasing interest in health and nutrition has caused many consumers to shun coffee because of its high caffeine content. (Many manufacturers have responded to this complaint by offering high quality brewed decaffeinated coffees.)

(2) Spiralling prices have also contributed to decreased coffee consumption. Since all coffee in the

United States is imported, production lapses in any major coffee-producing country will result in higher prices. This is especially true for Brazil, which currently accounts for nearly one-fourth of all coffee imported into the U.S

In the past 10 years, Brazil has suffered two weather-related setbacks, which have pushed prices skyward. In 1975, a severe frost during the harvest season killed three-fourths of the Brazilian coffee crop, resulting in coffee shortages in 1976 and 1977. The wholesale price of coffee leaped 54.4 percent in 1976 and 74.9 percent in 1977. These high prices drove many consumers to cut back on their coffee consumption, and others simply gave up drinking coffee altogether. Between 1975 and 1977, per capita coffee consumption dropped from 31.3 gallons to 24.2 gallons. In 1978, when prices declined 18.9 percent, consumption picked up, but it has never regained the level attained in the mid-1970s.

Today, a prolonged drought during Brazil's growing season is causing much the same reaction. While wholesale prices are not available for 1986, some analysts foresee retail coffee prices rising as high as $8.00 per pound, compared with a lower $2.59 per pound one year ago. As a result, many experts predict consumers will be drinking less coffee this year.

On the brighter side, analysts believe production will pick up next year and other major coffee producing nations, including Columbia, Mexico, the Ivory Coast and Guatemala, are expected to increase the amount of coffee they export to the U.S. in 1986.

NRA will continue to monitor the coffee situation and report on any major developments. *—Sallie Adams*

On-the-job injuries are on the rise

This article highlights trends in job-related injury and illness statistics for eating and drinking places and selected industries using data from the Bureau of Labor Statistics' publications,* Occupational Injuries and Illnesses in the United States by Industry, 1976–1983.

Despite precautions careful employers take, on-the-job injuries and illnesses occur. Potential employee hazards, ranging from slippery floors to leaking fumes, can cost employers thousands of dollars in compensation for lost wages and hours.

Job-related illnesses and injuries on the rise . . .

The incidence of work-related illnesses and injuries at eating and drinking places jumped between 1976 and 1983, from 6.8 per 100 full-time workers to 7.8 per 100 full-time employees. There were 252,000 reported job-related illnesses and injuries at restaurants and bars in 1983, versus 170,000 seven years earlier.

In part, this gain can be explained by a large increase in the number of eating and drinking place employees. During this seven-year period, back-to-back recessions adversely affected manufacturing and related-industries, forcing many of these workers to look for work in service-oriented industries such as eating and drinking places. The influx of these relatively inexperienced workers into foodservice, coupled with the addition of increasingly complicated machinery, contributed to the rise in work-related illnesses and injuries.

Conversely, as might be expected, the incidence of on-the-job illnesses and injuries at manufacturing and construction industries declined, as workers transferred to less dangerous occupations and as more and more companies implemented safety programs and regulations.

Lost workdays up . . .

For every 100 full-time eating and drinking place employees who experienced a work-related illness or injury in 1983, there were 40 lost workdays—days on which workers were either unable to work and/or were restricted in work activity. In contrast, in 1982 there were 34 lost workdays per 100 full-time workers, and in 1976 the loss was 29 days.

Other industries had more missed workdays. For instance, in 1983 there were 118 lost workdays for every 100 full-time construction workers and 95 days for every 100 full-time transportation employees.

Injuries on the rise . . .

Job-related injuries are the most common occupational hazard. In 1983 workers in the private sector recorded more than 4.7 million on-the-job injuries but only 106,000 illnesses. The rates of incidence were similar for eating and drinking place workers—250,000 reported occupational injuries versus a smaller 2,300 reported illnesses.

The occupational injury rate for eating and drinking place employees is above the average for the retail and service sectors. For every 100 workers in 1983, 4.9 workers in the service sector and 7.2 workers in retail trade experienced a job-related injury compared to 7.7 foodservice workers. This higher rate of injury is probably because many restaurant and bar employees operate more complicated machinery than do workers in other retail and service industries. On the flip side, in 1983, injury incidence rates were higher for workers in construction (14.7 per 100 full-time employees), manufacturing (9.7 per 100 full-time employees) and transportation (8.1 per 100 full-time employees) industries.

The incidence rate for an injured worker missing work in 1983 was 2.9. This rate is up slightly from 1982, when 2.7 out of every 100 full-time workers stayed home from work, and 1978, when the rate was a considerably lower 2.4. The incidence of restricted activity due to an injury for a restaurant or bar employee was a mere 0.2 in 1983. On the other hand, the incidence of workers in the private sector taking time off from work because of an injury was a greater 3.1 per

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**An occupational injury is defined as an injury, such as a cut, fracture, sprain, etc., which results from a work accident or from exposure involving a single accident in the work environment. Occupational illness is defined as a condition or disorder, other than one resulting from an occupational injury, caused by exposure to environmental factors associated with employment. It includes acute and chronic illnesses caused by inhalation, absorption, ingestion or direct contact with substances found in the work environment.*

100 full-time employees in 1983, while the incidence of restricted activity was 0.3.

Eating and drinking place employees missed a below-average number of days of work when injured in 1983 compared to other industries. In 1983, the number of days eating and drinking place employees stayed home from work due to job-related injuries was 38 per 100 full-time employees, versus 32 days in 1982 and 27 days in 1978. In addition, the number of days these injured employees were restricted in the amount of work they could perform averaged a smaller two per 100 full-time workers.

Because job-related employee injuries and illnesses are costly both to the employer and employee, operators need to take steps to ensure the health and safety of their employees. Instituting training programs that emphasize the importance of maintaining proper work practices and procedures is one measure employers can take to promote safety. Also, careful inspections of the work environment are necessary to assure that equipment is being properly maintained and that hazards have been eliminated. NRA has educational materials and guides that can help restaurateurs make their operations safer places to work.

—*Susan Adelman*

Occupational injury and illness incidence rates* by industry
1976–1983

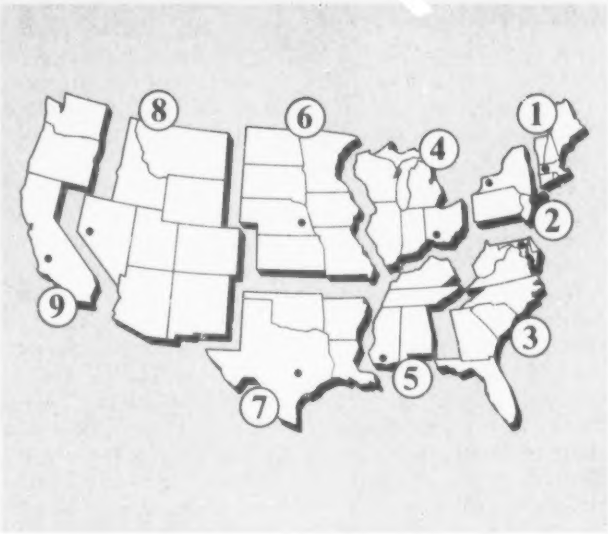
Industry	**1976**	**1977**	**1978**	**1979**	**1980**	**1981**	**1982**	**1983**
Construction								
Total cases	15.3	15.5	16.0	16.2	15.7	15.1	14.6	14.8
Lost workday cases	5.5	5.9	6.4	6.8	6.5	6.3	6.0	6.3
Manufacturing								
Total cases	13.2	13.1	13.2	13.3	12.2	11.5	10.2	10.0
Lost workday cases	4.8	5.1	5.6	5.9	5.4	5.1	4.4	4.3
Apparel and textiles								
Total cases	6.7	6.7	6.5	6.5	6.4	6.3	6.0	6.4
Lost workday cases	1.9	2.0	2.2	2.2	2.2	2.2	2.1	2.4
Transportation								
Total cases	9.8	9.7	10.1	10.2	9.4	9.0	8.5	8.2
Lost workday cases	5.0	5.3	5.7	5.9	5.5	5.3	4.9	4.7
Wholesale trade								
Total cases	8.1	8.5	8.9	8.8	8.2	7.7	7.1	7.0
Lost workday cases	3.3	3.6	3.9	4.1	3.9	3.6	3.4	3.2
Retail trade								
Total cases	7.2	7.4	7.5	7.7	7.1	7.1	7.2	7.3
Lost workday cases	2.6	2.7	2.8	3.1	2.9	2.9	2.9	3.0
Eating and drinking places								
Total cases	**6.8**	**7.3**	**7.5**	**7.6**	**6.9**	**7.3**	**7.6**	**7.8**
Lost workday cases	**2.4**	**2.4**	**2.5**	**2.8**	**2.6**	**2.8**	**2.9**	**3.0**
Services								
Total cases	5.3	5.5	5.5	5.5	5.2	5.0	4.9	5.1
Lost workday cases	2.0	2.2	2.4	2.5	2.3	2.3	2.3	2.4
Total private sector								
Total cases	9.2	9.3	9.4	9.5	8.7	8.3	7.7	7.6
Lost workday cases	3.5	3.8	4.1	4.3	4.0	3.8	3.5	3.4

*Rate per 100 full-time workers.

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Injuries and Illnesses in the United States by Industry, 1976–1983.*

How's business?

by Anne Papa



1
NEW ENGLAND

Location: Amherst, MA
NRA member: Marion Leonard
Operation: Rooster's
Profile: Fullservice family restaurant
In business: 9 years
Seats: 82
Meals served: Breakfast, lunch, dinner

"Leonard's Poultry Farm. May I help you?" is the way Rooster's Restaurant phone is answered because the family-owned restaurant business overlaps with the farm. "Rooster's is known for serving large, fresh eggs brought daily from our nearby poultry farm," explains co-owner **Marion Leonard.**

Located in the heart of Amherst, Rooster's is a familiar stop for students from five surrounding universities. "Business is always good," comments Leonard. "College students love breakfast at any hour."

And breakfast at any hour is what Rooster's serves; eggs are the main draw—served any way customers want.

With the addition of lunch and dinner service, for instance, more customers are ordering seafood omelettes stuffed with shrimp and scallops. In fact, says Leonard, build-your-own omelettes make up the bulk of the lunch and dinner business.

2
MIDDLE ATLANTIC

Location: Middleport, NY
NRA member: Jeff Roberts
Operation: Poor Man's Castle
In business: 9½ years
Seats: 100
Meals served: Lunch, dinner

"Business has been terrible," laments **Jeff Roberts,** owner of Poor Man's Castle. Located 50 miles from Buffalo and eight miles from the shores of Lake Ontario, the small town of Middleport has been hit hard this winter by wind, snow and ice. But Roberts is confident warm weather will bring a brisk business back to Poor Man's Castle.

Roberts calls his restaurant a castle because of its structure and medieval decor, with knights, swords and coats-of-arms lining the walls. And the first part of the restaurant's name? "I've been a poor man all my life," jokes Roberts. "I thought it would be fitting."

Poor Man's Castle specializes in steak and seafood items, particularly fried seafood, although Roberts has recently noted an increased interest in broiled fish. A house specialty, called "Broiled Seafood Supreme," consists of crabmeat, shrimp, scallops and haddock with a broccoli and cauliflower garnish.

3
SOUTH ATLANTIC

Location: Annapolis, MD
NRA member: Joseph C. Jacobs
Operation: Carrol's Creek Cafe
Profile: Fullservice restaurant
In business: 3 years
Seats: 285
Meals served: Lunch, dinner, Sunday brunch

"Our business begins booming in March and doesn't stop until November," says **Lois Ostrowski,** day manager at Carrol's Creek Cafe. Annapolis, with its bustling wharf and marina, is primarily a tourist town. Carrol's Creek Cafe's waterfront location puts the restaurant in an ideal location to attract the summer crowds. Additionally, it is a favorite spot among midshipmen at the U.S. Naval Academy, directly across the river.

Carrol's Creek Cafe specializes in American cuisine, with an emphasis on fresh seafood dishes and Cajun-style cooking. The restaurant has received statewide acclaim for its spectacular Sunday brunch, which includes made-to-order omelettes, waffles, a full salad bar, roast beef and a loaded dessert cart.

Carrol's Creek Cafe also sponsors many seasonal promotions to attract customers, such as free champagne with dinner for midshipmen during "June Week"— graduation season. An Easter promotion includes an Easter egg hunt, giveaway Easter baskets and a visit from a 6'5" Easter bunny (an employee in costume).

4
EAST NORTH CENTRAL

Location: Cincinnati, OH
NRA member: Robert Krehnbrink
Operation: The Under Fifth Cafe
Profile: Fullservice restaurant
In business: 2½ years
Seats: 92
Meals served: Lunch, dinner

In the two and a half years the Under Fifth Cafe stopped being an "also ran" to Edward's Ristorante, another Italian restaurant located in the same building, business in the cafe has increased 18 percent. "We now offer a lighter alternative to the formal dining at Edward's," explains general manager **Robert Krehnbrink.**

The specialty of the house at The Under Fifth Cafe (so named because it is on 5th Street and is underneath a main thoroughfare) is homemade pasta. Egg and spinach noodles are made on the premises daily. Five different sauces are offered daily, ranging from Bolognese (meat sauce) to pesto and cream. The cafe also has a full salad bar and a deli display.

The two restaurants joined forces in February, which has been proclaimed "Italian month" by the city's major. They feature such promotions as a trip to Italy and an Annette Funicello look-alike contest.

5

EAST SOUTH CENTRAL

Location: Biloxi, MS
NRA member: Nina Schwartzman
Operation: The French Connection
Profile: Fullservice restaurant
In business: 8 years
Seats: 73
Meals served: Dinner

According to **Nina Schwartzman,** Biloxi is a convention town. And The French Connection, co-owned by Schwartzman and her daughter, is one of the first places hotels recommend to convention-goers. "Even though we're not on the beach like many other restaurants, we still get the business," boasts Schwartzman.

The French Connection is not what its name suggests—a restaurant specializing in French cuisine. Instead, it offers a combination of open hearth cookery and old family recipes. With 19 entrees listed on the menu, Schwartzman says there are more entrees offered than there are tables in the restaurant. "By 'French Connection,' we mean we provide expert service and individual attention to dishes, the way the French do. In that way, we are connected," explains Schwartzman.

Another 'French connection' the restaurant has is its reputation for outstanding desserts, such as its fresh baked amaretto cherry cheese pie.

6

WEST NORTH CENTRAL

Location: Lincoln, NE
NRA member: Deborah Shoemaker
Operation: Shoemakers II
Profile: Family restaurant
In business: 2 years
Seats: 104
Meals served: Breakfast, lunch, dinner

Deborah Shoemaker, co-owner of Shoemakers II, says the traditional slow winter season was a bit slower than usual this year. "We're feeling the downturn in the economy," she says. She notes that a larger percentage of customers this year has been out-of-state business travelers.

Breakfast is the most popular meal served at Shoemakers II. "We serve everything from one egg and toast to a full breakfast with hashbrowns, sausage, biscuits and gravy," says Shoemaker. And since breakfast is served all day long, it even edges out many lunch and dinner items—although chicken-fried steak is a frequently-ordered favorite. Also popular are beef items because "that's what people want in the Midwest," adds Shoemaker.

Incidentally, there is no Shoemakers I. The "II" stands for Deborah and her father, Roger, who own the business together.

7

WEST SOUTH CENTRAL

Location: San Antonio, TX
NRA member: Frank K. Phelps
Operation: The Fig Tree Restaurant
Profile: Upscale restaurant
In business: 15 years
Seats: 70
Meals served: Dinner

According to general manager **Charles Bell,** the Fig Tree Restaurant's close proximity to the San Antonio Convention Center and its elegant atmosphere make it the restaurant of choice among convention-goers who flock to San Antonio during the fall and winter months. Consequently, fluctuations of the local economy do not have much effect on The Fig Tree's business. "Most of our customers are from out of town," explains Bell. "San Antonio residents usually reserve The Fig Tree for special occasions."

The Fig Tree is located in the heart of San Antonio's Spanish "Lavillita" district, popular among tourists for its many shops and eateries. The restaurant itself is in a small house, which owner Frank Phelps used to live in. The menu lists 10 items, all served at a fixed price, including rack of lamb, chateaubriand, roast duck, game and various seafood items. A house specialty is "coulibiac," a French/Russian dish that combines seafood, primarily whitefish, and veal in a puff pastry.

8

MOUNTAIN

Location: Carson City, NV
NRA member: John Hurzel
Operation: Scotty's Family Restaurant
Profile: Family restaurant
In business: 4 years
Seats: 150
Meals served: Breakfast, lunch, dinner

Business has been very good at Scotty's Family Restaurant. "Nevada is a real growth area," explains owner **John Hurzel.** "We're in the state capital so many businesses coming into the state come here." Carson City's many casinos also continue to bring in tourists and a sizeable labor force—both providing business for Scotty's

Hurzel says that when he and his partner acquired Scotty's four years ago, it was a "run-down coffee shop, a reject of the 1960's. They served 50 million types of pancakes and little else." Today, Scotty's specializes in build-your-own omelettes. The 15 fillings include chili, avocados and shrimp. Also popular at lunch and dinner are the chicken-fried steaks and the daily specials ranging from chicken chow mein to beef stew.

9

PACIFIC

Location: San Luis Obispo, CA
NRA member: John Bushnell
Operation: McClintock's Saloon
Profile: Saloon
In business: 10 years
Seats: 60
Meals served: Breakfast, lunch, dinner

"We weren't hit real hard by the recession in this part of the country," reports **John Bushnell,** vice president and general manager of McClintock's Saloon and the nearby F. McClintock's Saloon and Dining House.

Not content to rest on its laurels, however, McClintock's regularly runs promotions to maintain a high volume of business, such as Buffalo Bill's Birthday (burgers made with 100 percent buffalo meat are discounted) and Pearl Harbor Day (Pearl Harbor survivors get a free lunch). Everyday house specialties are 10 different hamburger varieties—including a liverwurst, bacon and cheeseburger—and beef stew served in a hollowed-out loaf of bread.

FOOD FOR THOUGHT

Hotline for diners

You are on a business trip in Manhattan. It is dinnertime. How do you find a restaurant to meet your needs?

You go to the nearest phone and call Restaurant Hotline. Started by New York entrepreneur Bruce Kallenberg, the hotline can be reached by calling one of four numbers, depending on which quarter of Manhattan you would like to dine. When you get through, a recorded voice asks you to state the type of restaurant preferred—American, Continental, Italian or ethnic—and whether you want a moderate or expensive restaurant. After you indicate your preferences by pushing numbers one, two, three or four on a touch phone, the electronic voice suggests three restaurants that fit your specifications. You choose among the three, and the call is automatically transferred to the restaurant's reservation desk.

Charges to restaurants are now $250 for the first month and $350 for each additional month, but the company is working toward a flat fee of $150 a month, with an extra charge of 35 cents per call.

—New York Times

Customers eat their words

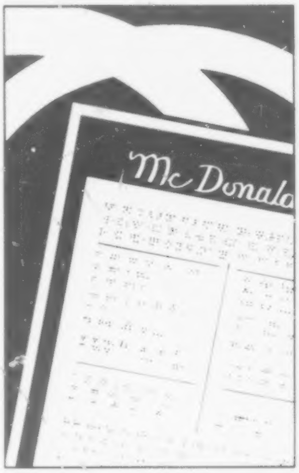
When Martin Doyle tells customers to eat their words, he really means it. Every customer at Doyle's Traveller's Inn in Union, CT, gets a free book.

Doyle began giving away books a year ago when his personal library began overflowing into the restaurant. Since then he has distributed 25 tons of tomes—compared with only six tons of turkey, the restaurant's most popular dish. In fact The Traveller's Inn book collection is so extensive that it is recognized by the American Library Directory as the largest library in northeastern Connecticut.

And although the book giveaway encourages people to eat at the restaurant, Doyle doesn't insist that every bookworm order something from the menu. "Even if someone comes in just to use the facilities," he says, "he can still have a book."

—Tables Magazine

Braille menus



Blind and visually impaired people can now order meals with ease and independence at McDonald's. Braille menus, listing breakfast, lunch and dinner selections, are now available at 6,500 McDonald's units throughout the U.S.

By introducing the menus, William Gallagher, executive director of the American Foundation for the Blind, said he hopes the McDonald's program "will inspire other organizations to open doors that will help improve the quality of life for the blind."

—McDonald's Corporation

A custom that's gone overboard

Once a year, workers in San Antonio, TX, drain the Paseo del Rio, a 2½ mile section of the San Antonio River. And each year they find an odd assortment of items on the riverbed—knives, forks, spoons and even food. "You could start a restaurant with the stuff we find down there," says one city official.

It seems that customers who dine at the many restaurants overlooking the Paseo del Rio are fond of throwing utensils into the water after finishing with them. At the San Antonio Hilton's riverside cafe, this practice has proven so costly that drinks are now served in plastic cups. At the waterfront El Comedor coffee shop, hostess Jeanette Maphis tries to give customers the benefit of the doubt, saying "Sometimes people will be talking, and they may swing their arm for emphasis and lose a utensil." But she adds that the custom of intentionally throwing things into the water is deplorable.

—Wall Street Journal

And the winner is . . .

Benihana of Tokyo, the Japanese steakhouse chain which features display cookery, is the most popular full-service restaurant chain in America. That's according to *Restaurants & Institutions'* sixth annual "Tastes of America" survey.

The survey, which polled 1,300 representative households regarding dining habits, food preferences and budget considerations, also ranked the following chains high on America's popularity list: Steak & Ale, Red Lobster, Chi-Chi's, Swensens, El Torito and International House of Pancakes. Favorite food items among respondents include guacamole, pasta salads, pasta entrees, fish dishes, veal, lamb and potato skins.

—Washington Times

What Congress is about to do to the restaurant business is enough to make you lose your appetite.

Congress is considering a bill right now that would limit the deductibility of all business meals.

What does that mean to you?

Well, according to estimates, limiting deductibility to 80% will mean a loss of an average of 19.1% of your business.*

If you don't like what Congress is about to serve up, write your senators. Tell them how restaurant jobs will be lost. Tell them how your suppliers will be affected. Tell them how it will hurt the way small businesses do business. And ask them why the restaurant business is being singled out for cuts.

Give Congress a piece of your mind.
Before they take a piece of your business.

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*Shriner Midland Company on behalf of the NRA, December 10, 1985

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NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

5/17	Chicago, IL (NRA Show)
6/24	Charleston, WV

Dining Room Management

5/18	Chicago, IL (NRA Show)
5/27	Rockville, MD
5/29	Charleston, WV
6/11	Owensboro, KY
6/16	Miami, FL
6/24	Portsmouth, NH
6/26	Stamford, CT
7/30	Wilmington, DE
8/19	Annapolis, MD
8/21	Lansing, MI

Dining Room Management: Sales and Service

8/20	Annapolis, MD
8/26	Lansing, MI

Kitchen Management

5/17	Chicago, IL (NRA Show)
6/11	Omaha, NE
6/17	Miami, FL
7/15	Tacoma, WA
7/17	Anchorage, AK
7/28	Springfield, MA

People-Power and Profits

5/18	Chicago, IL (NRA Show)

Tools for Training

5/17	Chicago, IL (NRA Show)
6/24	Wilmington, DE
6/25	Annapolis, MD
7/22	Danbury, CT
7/24	Burlington, VT
8/11	Charlotte, NC

Food Production Courses

Perfecting Your Culinary Skills

5/29	Hyde Park, NY
6/10	Washington, DC

Foodservice Management Courses

Applications for Computers in Foodservice

5/18	Chicago, IL (NRA Show)
6/9	Phoenix, AZ
6/11	Portland, OR

Banquet Management

6/24	Milwaukee, WI
8/7	San Francisco, CA

Beverage Management

5/17–18	Chicago, IL (NRA Show)
6/10–11	Oklahoma City, OK
7/29–30	Austin, TX
8/12–13	Alexandria, VA

Business Dynamics for Women in Foodservice

5/18	Chicago, IL (NRA Show)
6/2	San Francisco, CA
6/4	Anaheim, CA
7/22	Portland, OR
8/18	Philadelphia, PA

Employee Motivation

6/17	Seattle, WA
6/19	Denver, CO
7/21	Newport Beach, CA

Food Cost Management

6/3	Boston, MA
8/5	Tacoma, WA
8/19	Montgomery, AL

Foodservice Operators' Legal Workshop

5/18	Chicago, IL (NRA Show)
6/10	Philadelphia, PA
6/16	Miami, FL
7/14	Louisville, KY

Introduction to Computers in Foodservice

5/17	Chicago, IL (NRA Show)

Menus that Sell!

5/17	Chicago, IL (NRA Show)
6/4	Toronto, Ontario, Canada
6/17	Miami, FL
7/21	Chicago, IL
8/12	Charleston, WV

Negotiating for, and Financing, Foodservice Facilities

5/17–18	Chicago, IL (NRA Show)

Off-Premises Catering

5/17–18	Chicago, IL (NRA Show)
7/15–16	Long Island, NY

Operational Analysis

6/16–17	Miami, FL
7/28–29	St. Louis, MO

Planning and Implementing Restaurant Marketing Strategy

5/17–18	Chicago, IL (NRA Show)
7/30–31	Washington, DC

Planning Successful Buffets

6/9	Denver, CO
6/11	San Franciso, CA

Real Estate and Restaurant Site Selection

6/16–17	Birmingham, MI

Restaurant Design and Facilities Planning

5/17–18	Chicago, IL (NRA Show)
6/9–10	Atlantic City, NJ

Stress and Foodservice

8/6	Boston, MA

Wine and the Bottom Line

6/9	Cincinnati, OH
7/23	Newark, NJ

Study Group Meetings

Foodservice Purchasing Managers

5/14–16	Chicago, IL

MAECO

5/14–16	Chicago, IL

Marketing Executives

5/14–17	Chicago, IL

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

National Conferences

National Conference on Marketing, Advertising and Promotions

8/17–20	Chicago, IL

Eleventh Annual California Wine Workshop

9/29–10–2	Monterey, CA

National Conference on Catering

11/16–19	New Orleans, LA

INFO '87 Independent Foodservice Operators' National Conference

1/18–21/87	San Francisco, CA

National Conference on Computers in Foodservice

3/8–11/87	Dallas, TX

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(800) 424-5156 or (202) 638-6100

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Vol. 6 No. 5 May 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to ***NRA NEWS***. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright ©NRA 1986. Postmaster, send address change to ***NRA NEWS***, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

Ted Balestreri
Co-owner
The Sardine Factory, Inc.
Monterey, California

With feelings of regret and satisfaction, I compose my last letter to you as NRA president. This month, during the annual NRA membership meeting at the NRA Show, you will be electing a new president.

The regrets I feel come only because it will be hard to leave behind the exciting and fulfilling time I've spent as your president.

The satisfaction comes from being able to look back over a year of accomplishments. This year as president of the National Restaurant Association, it has been my privilege to lead you in meeting the countless challenges which face us as an industry.

Protecting the interests of our industry

A battle has been fought state by state to reform laws governing liability. If our insurance companies are telling us the truth, a leveling off of liability claims should reverse the trend toward higher liability insurance premiums.

We have fought the battle to prevent mandatory ingredient labeling from being imposed on any segment of our industry. If such a precedent were set, there would be no limit to how much labeling could be imposed on the industry.

We have been meeting the challenges government imposes upon us in other ways, too, by building the machinery which ensures strong representation in Washington. We have concentrated on enlarging the NRA Political Action Committee (PAC). We will have $330,000 to donate to political candidates during the 1986 campaign. Among 684 associations, our PAC ranks 25th in size. By 1988, our goal is to make it number one.

We are also raising $300,000 for NRA's Political Education Committee (PEC). This money will be used to bring together restaurateurs and political leaders for mutual education.

Training a first-class labor force

Much energy during my administration has gone into government relations. But we have not forgotten the other challenges that face us. NRA has worked continually on the perennial problem of maintaining and training a first-class labor force.

In cooperation with state restaurant associations, we have offered 300 seminars this year throughout the country. We also have developed and conducted five conferences on seminal topics, such as marketing, promotions, computerization, catering and challenges facing independent operators.

And, of course, we have created the NRA Show with its more than 1,600 exhibitors, nearly 100,000 attendees, dozens of seminars, theaters and clinics. The NRA Show is truly a foodservice university.

Increasing industry pride

Beyond training, we are faced with bringing new employees into our industry as we continue our rapid growth. NRA is meeting this challenge, too. A new public relations program has been developed this year and will be revealed in September. It is designed to increase pride among our current employees, draw new employees to our industry and enhance the perception of foodservice by the general public.

This past year, then, has been a year of struggle and a year of achievement, and still the challenges go on. NRA continues to battle tax simplification proposals, which would limit the business meal deducation to 80 percent. A new tax reform bill was introduced by Senator Bob Packwood (R-OR) as recently as late April. It is receiving mixed reception on Capitol Hill, while NRA continues to press its objectives. Only through your renewed participation in the National Restaurant Association will our industry's accomplishments continue to mount.

I am honored to have served as your president for the past year. Thank you for giving me this memorable opportunity.

During April, 210 foodservice operators and allied suppliers joined us as members of NRA. Welcome. Your participation in NRA will make your business grow and will make your association more effective in its endeavors on your behalf. See you at the NRA Show.

Sincerely,

Ted

Ted Balestreri
President and Chairman of the Board

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Blueprint illustration by Trish Crowe

Cover photograph by Gary D. Landsman

SHORT ORDERS

NRA promotes tourism with "The Sweet Taste of America"

Last month, the National Restaurant Association and several tourism and travel organizations co-sponsored a breakfast for Congressional aides to promote National Tourism Week. The breakfast, held in mid-April on Capitol Hill, provided key aides with information on National Tourism Week, May 18–24, and ideas on how to promote tourism in their home Congressional districts.

Each attendee at the breakfast was given a gift bag stuffed with travel and tourism-related items. NRA's contribution to the gift bag was "The Sweet Taste of America," a box filled with cookies and chocolates representing America's different regions and tastes.

There were chocolate pralines donated by Mr. B's Restaurant, New Orleans, LA; gourmet chocolates donated by Champlain Chocolate Company, Burlington, VT; chocolate chip cookies donated by Mrs. Fields Cookies, Park City, UT; Italian butter cookies donated by Ferrara's Foods & Confections, New York, NY; and fortune cookies containing custom-made, tourism-related fortunes contributed by NRA.

The box of one lucky Congressional aide also contained a certificate good for a complimentary dinner for two at the Red Fox Tavern in Middleburg, VA.

The Sweet Taste of
AMERICA

Industry "pacesetters" form society

Past and present winners of the Pacesetter Award, bestowed annually on outstanding women in foodservice by the Roundtable for Women in Foodservice (RWF), have formed a new society. Members of the Pacesetter Society also include honorable mention recipients of the Pacesetter Award and women who have received other distinguished foodservice awards.

The Pacesetter is awarded by RWF to women in the food, beverage and hospitality industries who are judged by their colleagues to be industry trendsetters. The annual awards ceremony and the inaugural dinner meeting of the new Pacesetter Society will both be held May 18 at Cafe Bernard in Chicago during the NRA Show.

For more information, contact RWF, 325 East 57th St., New York, NY 10022; (212) 593-2791.

1986 Great Menu Contest Winners

Grand Prize Winners

1. Mamma Ilardo's Corp., Baltimore, MD
2. El Torito Restaurants, Inc., Irvine, CA
3. Lime Rickey's Restaurants Ltd., Concord, Ontario, Canada

Check Average Under $5

1. Costa Mesa—The Omelette Parlor/Grand American Fare, Santa Monica, CA
2. Top O' Texas Cafe, Lewisville, TX
3. Casa Gallardo, Columbus, OH

Check Average Between $5–10

1. Lime Rickey's Restaurants LTD, Concord, Ontario, Canada
2. Max & Erma's Restaurants, Inc., Columbus, OH
3. Mr. Greenjeans/The Kalen Group, Toronto, Canada

Check Average Over $10

1. Summerhouse—Hilton International Sydney Airport, Arncliffe, Australia
2. Ashley's—Albany Marriott, Albany, NY
3. Captain Bilbo's River Restaurant, Memphis, TN

Specialty

1. Herbig's Gum Tree—Hilton International Adelaide, Adelaide, South Australia
2. Ramada Inns, Inc., Phoenix, AZ
3. Plata Grande, Beltsville, MD

Institutional Foodservice

1. Midland Hospital Center—children's menu, Midland, MI
2. Executive Dining, Conoco, Inc., Ponca City, OK
3. Midland Hospital Center, Midland, MI

Banquet/Catering

1. Portland Marriott—catering department, Portland, OR
2. Atrium Catering, Minneapolis, MN
3. Signature Caterers, Beltsville, MD

Most Imaginative

1. Chasers Restaurant, Syracuse, NY
2. McGuffey's, Asheville, NC
3. Remington's Solarium Seafood Bar—Ramada Inn, Spokane, WA

Best Design

1. Hilton International Singapore, Singapore, Malaysia
2. Sandalwood Restaurant—Prime Motor Inns, Inc., Fairfield, NJ
3. Associated Students Foodservice, California State University Chico, CA

Greatest Merchandising Power

1. Mardeck LTD—Munchies menu, Rockville, MD
2. Max & Erma's Restaurants, Inc., Columbus, OH
3. Restaurant Las Chivas—Cartagena Hilton International, Cartagena, Colombia

(See story on grand prize winners on page 30)

WASHINGTON REPORT

NRA takes business meal fight to Senate

Sen. Max Baucus (D MT), left, listens as Montana Restaurant Association (MRA) President Ron Scharf, center, and MRA Executive Director Don Pratt, right, explain the effect of an 30 percent business meal deduction on the foodservice industry.

Finance Committee member Senator Steve Symms (R-ID), right center, makes a point at a recent breakfast meeting sponsored by NRA.

NRA has taken its fight against legislation to reduce the business meal deduction directly to key members of the Senate Finance Committee.

NRA officials and state association leaders recently met with committee members Max Baucus (D-MT) and Lloyd Bentsen (D-TX). In addition, NRA hosted a breakfast meeting with Sen. Steve Symms (R-ID)—also a member of the committee—and hospitality industry representatives in Washington.

The tax reform bill (H.R. 3838) passed by the House last year would restrict business meal and food-related entertainment deductions to 80 percent. The Senate Finance Committee is also considering the inclusion of a similar provision in its tax reform bill.

Industry officials emphasized the devastating effect reducing the deductibility of legitimate food-related business entertainment expenses would have on the foodservice industry. Recently updated Chase Econometrics data show that limiting deductibility to 80 percent would mean the loss of 342,000 foodservice jobs in the first year of enactment. The Chase figures also show that 1987–89 foodservice sales would drop $28.5 billion, and state and local net revenue loss over three years would amount to $8.9 billion. At the same time, the federal government would experience a net drop in revenues of $6.3 billion.

The Finance Committee is expected to finish writing its bill by the end of this month. Committee members are debating and voting on provisions contained in a draft plan prepared for Chairman Bob Packwood (R-OR) by the committee staff.

The committee draft is similar to the House bill, but it makes larger concessions to the business community and to the White House, which has been lobbying for a lower top tax rate and bigger personal exemptions.

Reagan endorses liability reform

President Reagan has given his support to eight liability reform recommendations offered by an interagency task force on tort reform. The task force was formed to address the crisis posed by the unavailability of liability insurance.

The task force was headed by Assistant Attorney General Richard K. Willard, who spoke at the NRA symposium on product and service liability in January. NRA had expressed the industry's concern over the liability situation and was assured by Willard that NRA's suggestions for reform would be considered. Several of NRA's recommendations were incorporated into the task force's eight proposals.

One of the most controversial proposals would restrict the amount of contingency fees attorneys could charge the plaintiff. The task force recommended a sliding scale for lawyers' fees, from 25 percent for awards under $100,000 to 10 percent for amounts over $300,000.

While the task force supported the idea that plaintiffs should be able to recover all expenses for medical treatment and property damage, it recommended that all non-economic awards be limited to $100,000. This would include all awards for pain and suffering and for punitive damages.

Willard's group also called for

- returning to fault-based liability, in which payment of damages would be based on fault
- ending joint and several liability except in cases where defendants have acted in concert
- instituting periodic (not lump-sum) payments of future economic damages
- basing causation findings on credible scientific and medical evidence and opinion
- reducing awards by certain collateral sources of compensation for the same injury and
- encouraging states to develop alternative dispute resolution mechanisms and other procedural innovations for tort reform.

While the President has endorsed these recommendations, the task force has not yet drafted specific legislation to implement these reforms.

NRA testifies . . .

NRA appeared before a House Ways and Means subcommittee in late March to talk about the liquor liability crisis. NRA suggested that dollar caps be placed on liability awards, the concept of joint and several liability be eliminated, advance notice be given operators in liquor liability cases and that there be a reasonable statute of limitations for such cases.

Next to pollution risk insurance, liquor liability insurance is the hardest to obtain, NRA noted in its testimony. In many cases premiums have risen so high that insurance is no longer affordable, and businesses are forced to "go bare."

NRA lends support . . .

NRA supports bill S. 2129 by Sen. Bob Kasten (R-WI) which would permit businesses to form self-insurance groups and join together to buy coverage on a group basis. The Senate Commerce Committee recently approved the bill.

Currently, the federal government allows the creation of such groups to obtain product liability but not general liability insurance. The bill allows businesses to form these risk retention groups and to operate across state lines, provided the groups are chartered in at least one state. Similar legislation has been offered in the House.

New efforts to increase the minimum wage

Raising the minimum wage over the next few years is the objective of three bills recently introduced in the House by Reps. Gerald Kleczka (D-WI), Pat Williams (D-MT) and Mario Biaggi (D-NY).

NRA opposes any effort to increase the minimum wage and believes this legislation would put inflationary pressure on all wages. The result would be an increase in average hourly earnings and a spiraling increase in the minimum wage, unemployment and menu prices.

H.R. 4227, introduced by Rep. Kleczka, would institute a two-year increase in the minimum wage. The current rate of $3.35 per hour would be raised to $3.65 in January 1987, then increased to $3.95 in January 1988. Kleczka's bill does not index the minimum wage for inflation.

Both H.R. 4323 by Rep. Williams and H.R. 4493 by Rep. Biaggi would raise the minimum over the next several years and would index it for inflation. The former would increase the minimum wage by five percent annually beginning January 1, 1987. The annual five percent increase would continue until the minimum wage reaches 50 percent of the average hourly earnings of production or nonsupervisory workers on private non-agricultural payrolls.

H.R. 4493 would increase the minimum wage in four steps, beginning with a 50-cent increase on January 1, 1987. The wage would then be increased to $4.40 on January 1, 1988 and to $4.95 on January 1, 1989. Beginning January 1, 1990, the minimum wage would be increased annually by whatever amount necessary to maintain it at 50 percent of the average hourly wage for private non-agricultural workers.

The sponsors of all three bills cite the declining "real value" of the current minimum wage as the impetus behind their legislation. According to the sponsors, the current minimum wage, which has not been increased since 1981, forces many workers to live below the poverty level. They note that the minimum wage worker will earn a yearly income of $6,968, which is almost $2,000 below the poverty threshold for a family of three.

None of these bills has seen any action in Congress. There has been no legislation introduced in the Senate to increase the minimum wage.

Polygraph ban approved by House

A bill to ban polygraph testing by private employers was approved by the House in March. The bill, H.R. 1524, would bar most private employers from requiring employees to take a lie detector test to obtain or keep a job. This bill was opposed by NRA.

H.R. 1524 sets up a system of civil penalties for employers found in violation of the law. It also allows the Secretary of Labor to seek court injunctions.

Several types of employers were exempted from coverage, including nursing homes, day-care centers and nuclear power facilities. Employees with direct access to controlled substances and security guards in certain facilities could also be subject to polygraph testing.

The bill also does not apply to state, local and federal government employees or persons involved in intelligence work under contract to the CIA, NSA or FBI.

H.R. 1524 now goes to the Senate for consideration. A companion bill was introduced by Sens. Orrin Hatch (R-UT) and Edward Kennedy (D-MA).

—Jay Morris
Michelle Rabayda

INFO 86

FOR INDEPENDENT OPERATORS ONLY

National Restaurant Association
Independent Foodservice Operators' Conference
Conference Series

"If we've made our customers feel at home, we've made a million dollar mistake. We need to make them feel better than at home," remarked NRA President Ted Balestreri as he welcomed participants to INFO 86.

rators
Serie

"Chains take ideas from independents, fine tune them and create food trends across the country," observed Kenneth Hill, former head of Gilbert-Robinson and now president of T.J. Cinnamon's. "But they can't respond as fast as we can to new ideas."

For three days in February, 151 independent operators put their day-to-day concerns aside to gain a new perspective on their businesses in the company of peers and industry experts.

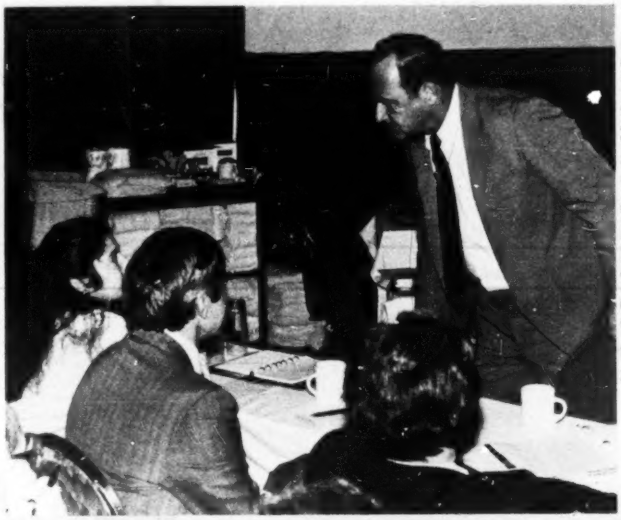
From as far away as Hawaii, independents came to Orlando, FL, to attend INFO 86—NRA's National Conference for Independent Operators. Now in its second year, this conference focuses on the problems and concerns of independent restaurateurs.

Setting a positive tone for the conference was keynote speaker Mike Hurst, NRA Director and president of 15th Street Fisheries, Fort Lauderdale, FL, who emphasized that the independents' ability to change gives them an edge in the marketplace. Other speakers seconded that obser-

Bill Gillespie, marketing vice president of Oceanshore Restaurants, Inc. was effective as both master of ceremonies and breakout leader. "This conference is an opportunity to renew our energy and our commitment to our business and in some cases, where it is needed, to renew our faith in ourselves," he said.

photos by Bill Bachmann

"Marketing is going to be the hallmark of the 80s and beyond," predicted Jeanette Reichers, editor of *Independent Restaurants.*



The most provocative presentation at the conference was by lawyer Tony Marshall, dean of the School of Hospitality at Florida International University. Addressing the issue of hospitality liability, he told the audience, "A change will only come if you say, 'We've had it, and we won't take it anymore.'"

"I came here looking for a couple of ideas I could incorporate into our operation, and I found some."
—*Wayne Judah, The Admiral Risty, Rancho Palos Verdes, CA*

"I'm going home with 'information tilt' from so many great ideas."
—*E. Thomas McCabe, Jr., Tom Foolery's, Westborough, MA*

vation, both in the general sessions and in the dozen smaller, breakout meetings. Many shared ideas for new directions in such areas as menu development, staffing and service.

But the conference did more than highlight successes. It also focused on industry problems. Liquor liability was by far the issue of greatest concern, finding its way into two of the 10 general sessions, several breakout meetings and informal conversations among participants. Attendees not only exchanged ideas on the conference floor but also offered to send each other mocktail and appetizer recipes from home. Conference speaker Tony Marshall, a lawyer and dean of the School of Hospitality at Florida International University, emphatically urged operators to implement risk management programs in their restaurants and to lobby for

Foods
Natio

NRA Executive Vice President William Fisher brought the audience up to date on the Washington legislative and political scene. "It will be a tax bill year, but it will not be anti-business," he said.

Showing slides of many of his most successful dishes, Jeremiah Tower, owner of Stars in San Francisco, CA, reminded the audience how important it is to give customers the greatest possible choice in menu selections.

Senator William Roth (R-DE) discussed his business transfer tax proposal at the INFO 86 banquet.

"I think we all enjoyed this conference because it's like home, a relaxing and nurturing environment where we're surrounded with peers who share our passion"

—Harry Klingeman, The Indian Trail, Winnetka, IL

Leading a two-part breakout session, Ted Thelander of T.A. Thelander and Associates focused on staff selection and on ways to keep good managers with non-financial motivators.

changes in state liquor liability laws. "A change will only come if you say, 'We've had it, and we're not going to take it anymore,'" he boomed.

Personal problems also found their way into the agenda. One highly attended breakout session focused on antidotes to stress. (See article on page 12.) Other topics ranged from staff involvement to increasing profitability.

Whether the information presented concerned an industry trend or a personal situation, the emphasis was always practical so that participants could implement those ideas in their establishments.

That goal seems to have been met. Typical of the responses received was that of E. Thomas McCabe, Jr., president of Tom Foolery's in Westboro, MA: "I'm going home with 'information tilt' from so many great ideas."❑

***Beginnings. . . .* INFO '86 attendees Vicki Briscoe and Charles Rivezzo of Anthony's Pier 2 in Newport Beach, CA, became engaged at the conference.**

INFO 86

Conference closeup

FIGHT STRESS FROM THE INSIDE OUT

by Harry Klingeman

All too often we justify long hours in the business with a comment such as, "The business does not understand. It is not human. But my family will understand." And so we often put our business ahead of our family, justifying this by saying, "I am just going to finish this project," or "I am just going to do this little expansion then I'll have more time for my family and myself."

Sometimes you have to put your business absolutely first. You can take two or three months and dig into a project with a passion that you have never had for anything. You roll up those sleeves and you get some things done. Sometimes, that is the energy required and your family or friends can understand that commitment. But it is a different story when your long hours keep up week after week, year after year. That is when your behavior becomes a lifestyle, and that's when it causes problems. You have to find a balance. You have to be in control of your life and not let your business control you.

Control rituals . . .

Being out of control is being helpless. Helplessness is a difficult feeling to recognize. You know when you are angry, and you know when you are frustrated; but you don't know when you are helpless. Instead of recognizing helplessness, you respond to it by going through different rituals. What you are trying to do with these rituals is to regain control.

For example, you may get an incredible burst of energy and may try to regain control by doing things. Or you may attack others' shortcomings and feel in control by being right. Or perhaps you may develop a sense of self-righteousness. In this case you feel in control by being better.

If things get bad enough, you may feel the need to take some time off or get away. You are looking for an exit from the chronic stress you face. If you are unable to make an exit, you head into the last stage of control rituals called "breakdown."

In this stage your body finally tells you it is time to come to grips with your life and the problems you are facing. You have to stop and take a break or else physical illness or mental side effects will decrease your performance, rob you of your zest for life or make you stop.

The number one cause of stress in the workplace is being overburdened with too much to do. Therefore, the most powerful weapon you have to regain control is to say, "no." When under stress, we tend to say "yes" to everything. It's easier to say "yes" than "no," but by saying "yes" to more things to do, you are simply adding more stress.

Next, don't be consumed by your business. Because of the American work ethic, we identify ourselves based on what we do. Our whole emotional attachment is with business. No wonder we are workaholics. Who am I? I am Harry Klingeman; I own The Indian Trail Restaurant. And if that is how I identify myself, the driving force in my life is not going to be my human emotions or needs but the insatiable and inhuman needs of my business. My personal happiness becomes dependent on the cash flow and the customer count. So if my business is having a problem, I view myself as the failure. That's not right. A better attitude is one of believing I am not my business. My dreams, my passion and my pride are represented in my work, but they are not me. That is one of the most difficult ideas for restauranteurs to accept.

Balance is the antidote . . .

Balance is the antidote to burnout—that state of physical and emotional exhaustion when you lose your zest for work or play. So balance your life. If you have an unbalanced life, you feel resentful, angry, frustrated and in turmoil. Many workaholics have an empty shell of a personal life. Because they feel this emptiness, they throw themselves right back into work to fill that void. It's a vicious circle.

Someone once asked, "If you burn

This article is based on a presentation delivered at INFO '86, NRA's National Conference for Independent Foodservice Operators, by NRA Director Harry Klingeman. Klingeman is president of The Indian Trail Restaurant in Winnetka, IL.

out your mind and your body, where will you live?" That question makes sense. You must take care of yourself. The first thing you should do is to give yourself permission to express your needs. Stop denying that you need nurturing. Stop saying, "I don't have time." Instead of saying, "I used to ski, I used to garden, I used to read books at night," do those things now.

Don't neglect rest and relaxation. How many of us go out for lunch? Have you ever called another restaurateur and gotten an answer, "I'm sorry, he's at lunch and can't be disturbed." You give your staff at least 20 minutes. So why not take a 20-minute lunch period for yourself, just to relax.

And how about going out for a walk every so often? It can make an amazing difference. When you leave the building, you come back with seemingly new ideas. Although the ideas have always been there, you are finally relaxed enough to listen to them.

I'm a fanatic about exercise. Remember, you have to exercise to have a lot of energy. You need a strong heart that pumps blood, nutrients and oxygen throughout your body and provides extra energy for work and play. An exercise program that gets your heart working hard three times a week for 15 to 20 minutes will do the trick. A good walk is as good as going out for a run. Exercise is also important because a lot of our self-image comes from our awareness of our bodies. Do you feel good about the way you look? If not, change your diet and exercise. But don't take your work values into your leisure activities. Have fun. Don't make tennis or gardening or swimming a test.

Good life attitudes . . .

You need good life attitudes to fight stress. *Be realistic and positive about life*. Accept the fact that life is difficult. The first two paragraphs of Scott Peck's book, *The Road Less Traveled*, are exceptionally meaningful. They say that when you accept the fact that life is difficult, it is no longer difficult because you have already gone beyond that point.

View life as a challenge, as a series of opportunities, not problems. There is a way to solve anything, given enough time.

Accept the fact that you cannot control the uncontrollable. There are certain things in life you cannot control. Too many of us are trying to fly by flapping our arms. And what happens? We get tired, exhausted and frustrated.

Learn from adversity. Struggle builds strength. We all get tripped up periodically. Successful individuals learn to use past obstacles as stepping stones.

Embrace your problems. Procrastination is a main cause of stress. How do you embrace your problems? By confronting them, accepting them, assuming responsibility for them and dealing with them. When you start to embrace a problem, you often find you have exaggerated its importance.

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stress (stres) n.
1: strain, pressure 2: a state of bodily or mental tension resulting from factors that tend to alter an existent equilibrium.

Resolve conflicts. Conflicts are not going to go away. They may appear to go away during the day, but they are going to come back at three in the morning to haunt you.

Be happier by doing less on the job. The number one cause of stress in the workplace is being overburdened. We all know the principle of 80/20: 80 percent of your sales come from 20 percent of your products. It's the same with things to do. If you have 10 things to do and you do two of them, 20 percent, you are going to get 80 percent of the rewards. Think about that. Rather than trying to go through and do it all, use the 80/20 principle.

Start by prioritizing your tasks by "A," "B" and "C." Do the "A's" and forget the "C's." Do what is doable. Don't chase the impossible.

Delegate. You have to delegate to your staff. You have to build a staff that is self-reliant. If you don't have a self-reliant staff, if everyone is running to you to solve problems, you are never going to get anything done.

Create a comfortable workplace. Can you work in your office? Is it a place that feels comfortable? Or do you feel closed in? Your office is your world headquarters. So make it nurturing.

Work during your prime time. When is your prime time and how do you use it? You have to determine when you are most creative. Use that time to do your "A" things. Many of us say, "I like to go in early in the morning because my staff isn't there. That's when I can really get things done." If that is what you say, then do it. Find a block of time that is yours. Otherwise you go start-stop, start-stop, start-stop.

Identify time wasters . . .

Interruptions. Studies show that a manager is interrupted every eight minutes. How are you going to control your life, if you are interrupted every eight minutes? You have to create a system that reduces your interuptions. Specifically, you need to manage your phone calls and unexpected visitors.

Clutter. Reduce paperwork. With any piece of paper there are only four things to do: toss it out, refer it to someone else, act upon it or file it. Too often we fail to do these things the first time, but continuously pick up a letter, read it, put it back on the desk and do the same thing another day. We multiply our workload by this process.

Starts and stops. Plan and schedule your time. An hour planned saves four hours of work. To stop that start-and-stop syndrome take a project, no matter how big, and break it into small tasks. Now each one is manageable and you are less overwhelmed.

Unfinished projects. How many of you have 10 unfinished projects? Get some of them done. It's better to have two things finished than 10 things unfinished.

In sum . . .

It is important to remember that the habits of a lifetime die slowly. They die hard. They won't change overnight. But they can change. You have to lead a balanced life to enjoy its full richness. ☐

Editor's note: *Beginning this July, NRA will offer a seminar entitled, "Stress and Foodservice: Avoiding the Pressure Cooker Syndrome." The course will be led by Bob Brymer, associate professor of Hotel & Restaurant Administration at Florida State University. For further information, call NRA Education Programs, (800) 424-5156 or (202) 638-6100.*

Signature Items

Five years ago supermarkets ignored restaurant products. Today they are enthusiastically pursuing specialty accounts. Here are some pointers from operators who have canned, bottled or frozen some of their best-selling items.

by Kathy Boyle

It may be the fulfillment of a dream, or it may be the pinnacle of a lifetime's work. But at some time or other, most restaurateurs long to create and package their own signature products. Vince Culotta, co-owner of Sabatino's in the famous "Little Italy" section of Baltimore, MD, (440 seats) had toyed with the idea of packaging the restaurant's products for years. "For a long time we had been packaging our house salad dressing for our regular customers," recalls Culotta. "Then one evening, the owner of a local grocery chain, a regular customer of ours, was eating dinner in the restaurant. I decided to approach him about selling the salad dressing in his stores. He said he had done something similar before, and told me whom to contact at Giant Foods."

Culotta's initiative led to an exclusive contract for selling the salad dressing in all 130 Giant stores. Culotta is very happy with this arrangement. Rather than trying to do all the research, product development, packaging and distribution himself, he received support from Giant's experienced staff. "I'm in the restaurant business, not in the food manufacturing business," explains Culotta. "I had an idea, but they were instrumental in moving it along."

Experienced partners can help . . .

Culotta's experience of getting help from an outside source is not unique. Brennan's Restaurant in New Orleans, LA, (550 seats) is bottling its own line of seasonings and sauces so people can add a creole flavor to fish, pork, veal, beef, vegetables and poultry. Also available is Brennan's buttery pecan caramel sauce and a hot, spicy, whole-grain mustard. In Brennan's case, however, the gourmet food manufacturer—Classic American Foods—came to Brennan's, seeking out the restaurant's well-established name and creole cooking know-how. According to Owen E. Brennan, Jr., co-owner of Brennan's, even before Classic American Foods approached them, the manufacturer had done extensive market research to confirm that the Brennan name was well-known.

"In addition, Classic American Foods was already handling wine mustards made from top California wines," adds Brennan, "so they knew the gourmet specialty market first hand." According to Brennan, the company's research and expertise saved him time, headaches and legwork. "In the first financial sales reports from Classic American Foods, the products have tremendously exceeded sales expectations."

Two years ago, Nathan Schmidt, chef and owner of Nathan's, a 10-year old European-style restaurant in Burlingame, CA (120 seats), had a similar experience. He was approached by a distributor to bottle and distribute his house dressing. According to Schmidt, the co-venture has really worked out. "In the first year alone, we are in 400 Safeway and Lucky stores in the Bay area, and the product may soon go nationwide."

Going it alone . . .

Other restaurateurs still prefer to "go it alone" to market their signature products. That's the case at Joe's Restaurant in Reading, PA, (55 seats) a family restaurant famous for its wild mushroom specialty theme. Joe's uses 300 different varieties of mushrooms at the white tablecloth establishment. About three years ago, Jack Czarnecki, grandson of the original owner, began producing some of the mushroom products for distribution. "The real reason we got started was because customers kept asking for our dark, rich puree of mushroom soup," says Czarnecki. Today, along

Mark Borchelt

Sarabeth
Orange Apricot
Marmalade
Burgundy
Pepper Sauce
NET WT. 8 OZS.
Silver Palate
American
Sabatino's
HOUSE
Dressing
Chalet Suzanne
SOUP
(Medium Hot and Spicy)
Creamed
ROMAINE
Serve Hot or Cold
Nathan's
RESTAURANT
BURLINGAME CALIFORNIA
LEMON CAPER
DRESSING
12.7 fl Oz (375 ml)
SNOQUALMIE FALLS LODGE
OLD FASHIONED
BAKING POWDER
BISCUIT MIX
Brennan's
Bittman's
NET WT. 2 OZ

with frozen wild mushroom soup, Czarnecki has bottled the fancy mushrooms Joe's uses in its martinis and the restaurant's burgundy pepper sauce.

Czarnecki continues to produce his line of products in the restaurant. "I've checked with several packers, and I can't seem to find the good, high-quality packaging I want," explains Czarnecki.

Sarabeth and Bill Levine, owners of two Sarabeth's Kitchens in New York, NY, (70 seats each) also cite quality packaging as the reason for bottling their own. "We don't want to lose the quality and the down-home look we have. All of our products are packaged in mason jars, and I haven't been able to find a manufacturer that would package this way. Mason jars are traditionally used in home canning and require a two-part lid, instead of the one-part lid used in most commercial manufacturing."

Getting started . . .

It takes time and energy to ready a product for distribution. From conception to introduction, product development generally takes 18 months to 2½ years, according to those who have done it.

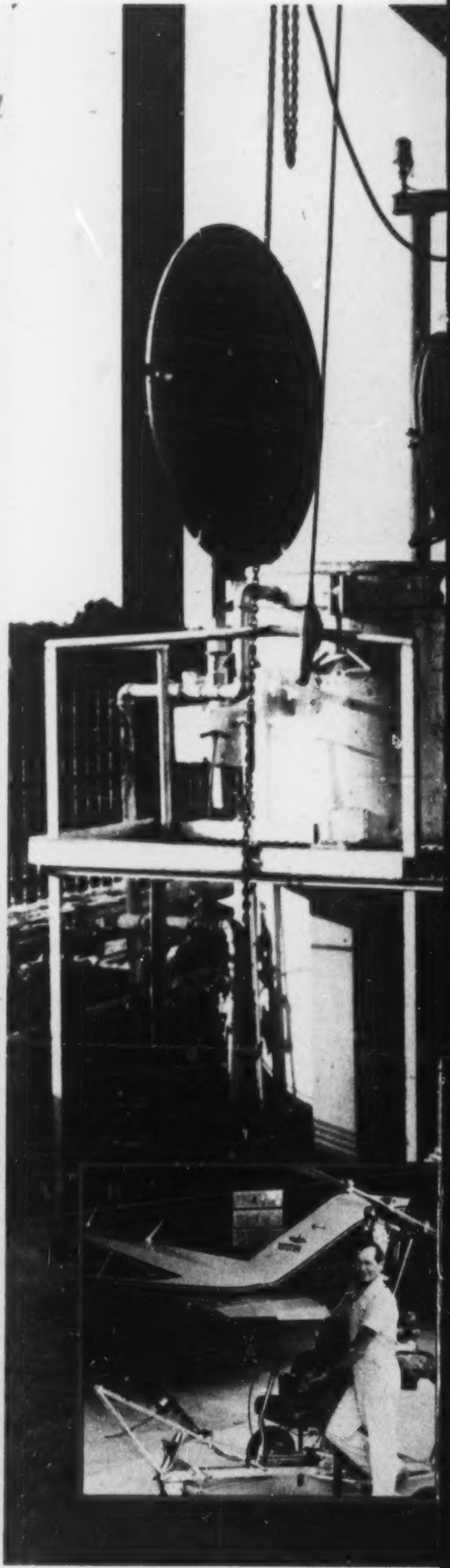
Product testing alone takes a great deal of time—sometimes as long as a year. Brennan's cut down this time because Classic American Foods supervised the process. "What could have been a massive project of selecting a packer, making up formulas, making up tests, seeing what various federal and state government regulations required, was all simplified for us," explains Brennan, "and Classic American Foods was very careful to make sure that the tastes and consistencies of the products were the way we expected them to be."

An initial obstacle to getting started is deciding which products to market. There are many things to consider: consumer demand for the type of product, consumer familiarity with the specific product, the product's ease of use and the product's compatibility with a specific niche in the gourmet market. In the case of Brennan's, for example, Classic American Foods' market research showed potential windows in the gourmet/specialty food market—creole seasonings and a mustard. Brennan's then added a restauratuer's sense for which products might gain the most acceptance. "We added our special sauce, which

From the kitchen to the moon

and everywhere in between

In November 1956 Chalet Suzanne mailed its first can of soup to a customer. Today, the soups prepared according to traditional family recipes, are distributed nationwide both to distributors and direct mail buyers. In addition to retail customers, purchasers include specialty food shops, institutions, clubs and restaurants. The soups have even travelled to the moon.



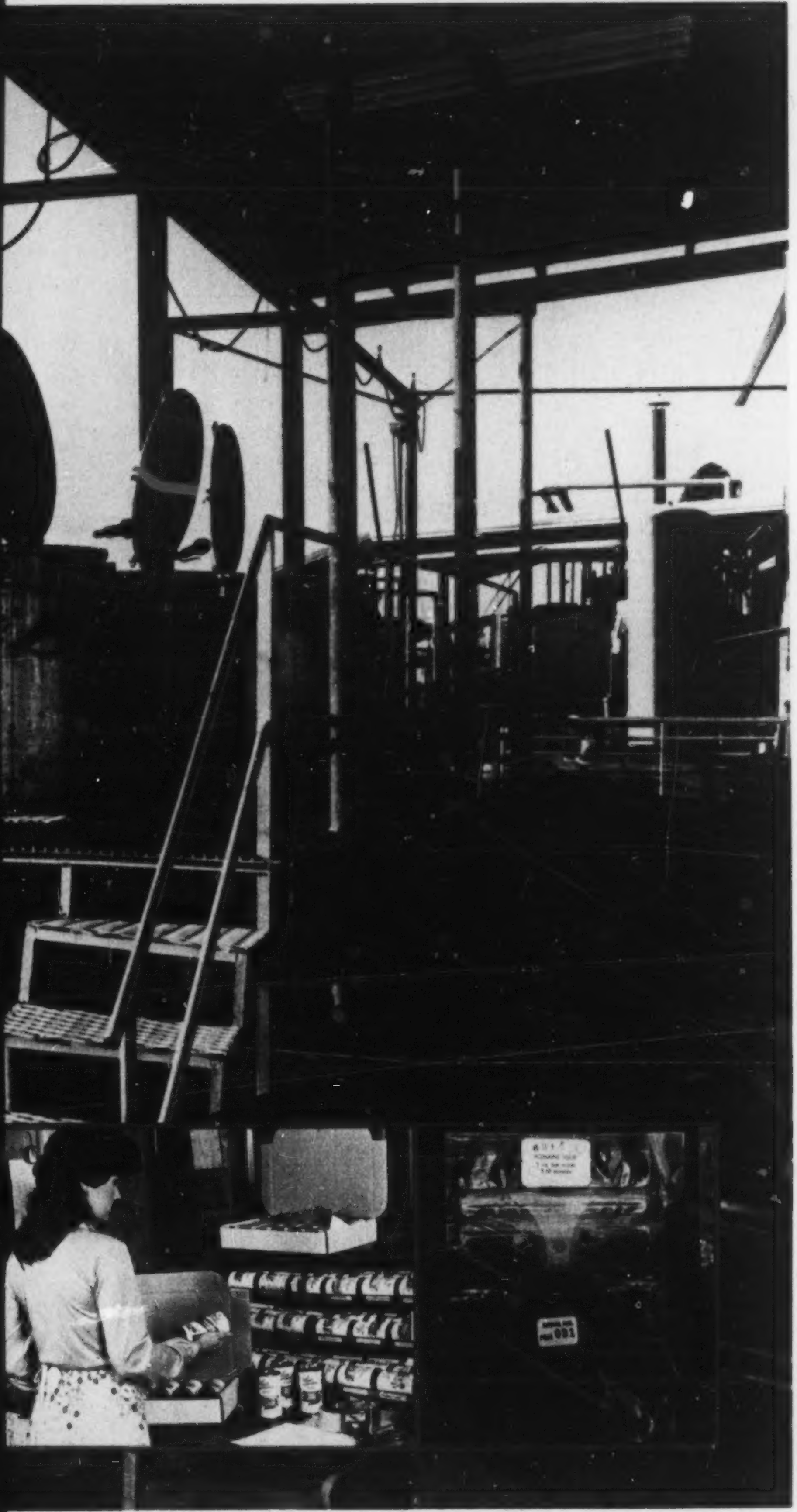
(A) Owners Carl and Vita Hinshaw got into the soup business on a small scale. They used a four-quart pressure cooker and hand-labeled the cans. Today, their business, which produces an average of 18,000 cans daily, operates in an on-site plant, and the pressure cookers (shown here) can each accommodate 1,500 cans at a time—three baskets of 500 cans each.

(B) The cannery was once an airplane hangar, built to accommodate Carl Hinshaw's first love, flying. Hinshaw has not abandoned the skies. He still has an airstrip on the property and flies to get ingredients for the restaurant and the cannery. Customers use the airstrip, too. According to Vita Hinshaw, some people fly in just to buy some soup.

(C) The Chalet features 11 soups, one sauce piquant for meats and two aspics—tomato and orange. The soups come in 13-ounce cans as well as a larger condensed 45-ounce institutional size. All direct mail orders come with a brochure of recipe ideas.

(D) The Hinshaw's soup business has benefited from word-of-mouth recommendations. Astronaut Jim Irwin so loved Chalet Suzanne soups that they were served in crew quarters. Later, they travelled with him on his Apollo 15 flight to the moon, followed by a trip on Apollo 16 and the joint Russian/American flight of Apollo-Soyuz.

Photos: Bill Bachmann



has made us famous. It can be used on just about anything, from cream cheese to pasta. And for the sweet tooth, we added our well-known butter pecan dessert topping for either ice cream or crepes," remarks Brennan.

The Silver Palate, New York, NY, also discovered that it pays to build on your strengths. In 1978, Saks Fifth Avenue approached The Silver Palate, then a gourmet take-out, and asked the owners to bottle some of their food for sale during the Christmas season. They agreed and chose their apricot mustard sauce as their first product because "this particular mustard makes an ordinary ham look like it took 10 hours to cook," says Kelly Kimball, director of public relations for The Silver Palate. Today, The Silver Palate produces 110 different products, from preserves, savories and salad splashes (salad dressings containing very little oil), to sweet dessert sauces and a new line of Good Time Cheers (non-alcoholic mixers). The Silver Palate line is sold at 1,500 locations, from department stores to gourmet shops, and its institutional-sized products are familiar names in restaurant kitchens.

Finding the right manufacturer . . .

Generally, a restaurateur needs a lot of guidance to determine the best production course. Some operators believe that it is best to turn the job over to someone else. "You really need a food processing plant since there are a lot of rules to follow," explains Culotta of Sabatino's. "I gave my salad dressing recipe to Doxsee Foods. Within a year, they devised a formula that was cost-acceptable and met my standards."

Calculating how much product to manufacture can be another dilemma. If you turn manufacturing over to large firms, however, you must be certain of your volumes, as you may be required to purchase 1,800 to 2,000 cases to make the packaging worth the company's while.

From its early experience selling to Saks Fifth Avenue, The Silver Palate quickly learned about FDA requirements and other stringent cooking and food handling regulations. To meet these requirements The Silver Palate moved the kitchen to a location near the store, and by 1979 products were being manufactured at a factory. "Since we use no preservatives or

"A product won't sell if it doesn't have visual appeal."

emulsifiers and the food is still hand prepped and hand prepared in small batches, it took a lot of research to find a factory where we had full control over the manufacturing of the product," explains Kimball.

For Chalet Suzanne in Lake Wales, FL, a full-service upscale restaurant (150 seats) and a 30-room inn, manufacturing its own line of soups meant building a factory. "In 1956 we developed our first soup—cream of romaine. We started with a hand canner and pressure cooker," remembers Vita Hinshaw, co-owner of the Chalet with her husband Carl. Today the Hinshaws manufacture 11 different soups, three sauces, two aspics and a bottled meat sauce at their own canning plant on the property of their inn and restaurant. Each day they typically can 18,000 cans in both consumer and institutional sizes. "We grew into it," recounts Carl Hinshaw. "It certainly takes a great deal of your time to manufacture, and there are problems. The equipment is expensive. There is so much to do. There are USDA and Food and Drug regulations. You have to worry about part-time help, and it can be difficult to sell the large amounts you need to remain profitable. I would say, if I worked at it more, it would be a more profitable part of the business."

Another less recognized, but extremely important aspect to keep in mind is that if you manufacture your own products, you must insure yourself for product liability.

Finding the right label . . .

Although the packaging design and labeling process may be viewed as relatively simple part of product development, it should not be skimmed over, since the pretty package is often what gets the product placed in a store.

For most restaurateurs, already knowledgeable about menu design, translating their concept into an attractive label is usually more fun than work. When Sarabeth and Bill Levine first started manufacturing their orange marmalade, they hand-stenciled and glued on each label. Today, they have gone to a labeling company but still maintain the hand-stenciled quality.

Nathan's and Brennan's both worked with local artists to develop a label that included their logo, and artists in Giant's marketing department developed a concept for Sabatino's salad dressing label. Then, Doxsee foods hired a labeling company to execute the idea.

Setting the right price . . .

Setting a price for a product requires some legwork. First, the buyer must be identified. For example, a product that is costly to make will be unprofitable if it is not marketed to an affluent market. Next, it is important to determine production costs and the expected profit margin and to compare the selling price to that of comparable items. "You may have to adjust your price to stay competitive," notes Czarnecki.

Several restaurateurs warn not to expect instant profits. "If I had started out with profit-making as my first goal, it would have been a failure," explains Czarnecki. Instead, Czarnecki had equally important advertising goals in mind. "We were aware that the type of people who patronize our restaurant also shop at gourmet food shops. Therefore, our initial goal was to place our product in some of these outlets in nearby Philadelphia and New Jersey, getting more people to know about us, thus broadening our customer base."

Distributing the product . . .

"Once the manufacturing process is in place, production becomes routine," explains Czarnecki. "It is distributing the product that is difficult. It takes an aggressive distributor to put the product in stores. It takes time to be successful."

As Czarnecki attests, you don't always have to go with a large, well-known distributor. Czarnecki took a chance on a newcomer and has done well. "One of my customers was a pizza supply distributor. His wife was looking to join him in the distribution business, but she had an interest in gourmet foods. Our product became her first 'baby.' She saw the gourmet foods market as a burgeoning one, and she is doing exceptionally well today, distributing other products besides ours," he reports.

Richard Byrd, director of operations for Snoqualomie Falls Lodge in Snoqualomie Falls, WA, points out that an easy mistake any new marketer can make is not being prepared for orders. "In 1978, I ran an advertisement in the West Coast edition of *Sunset Magazine* for our honey and blackberry and strawberry preserves," recalls Byrd. "We had an overwhelming response, and the Lodge just couldn't handle the orders that came pouring in. We were in the restaurant business and were just flirting with product sales."

Seasoned by this experience, Snoqualome Falls Lodge decided to build its line of jams, preserves, honey, pancake mix and biscuit mix by using the expertise of some young professional marketing experts. "At first we hired them as employees," explains Byrd, "but they wanted to invest in the products and business themselves, so we sold them the rights to use our name. As an outside company, they have rapidly increased product sales and distribution.. In catalog sales alone, orders are up 300 to 400 percent over last year, our first year," says Byrd proudly.

Marketing the product . . .

The Silver Palate's marketing promotions are a good example of how a restaurant can support its retail distribution. In one of its recent promotions to sell chutney called "Starry Night Promotion," the company sent recipe cards, display and other material to each of its retail outlets.

The Silver Palate staff also tour with the products and conduct tastings. Last year Kimball was invited to fly to London on Pan Am to lead a tasting in Pan Am's first class section. "I flew over one day and talked about the trend toward gourmet cooking and conducted a sampling of several of our foods," Kimball recalls. She then spent the night in London and flew back the next day to repeat the demonstration.

Brennan's also sends its staff on the road. Recently, the chef went on a nationwide tour of department stores to demonstrate Brennan's new products firsthand to customers. "We felt it was a natural, since he could share his ideas and experience," says Brennan.

In addition to demonstrations, restaurateurs sometimes publish cookbooks to enhance product sales. Jack Czarnecki published *Joe's Book of Mushroom Cooking* and The Silver Palate published two cookbooks—*The Silver Palate Cookbook* and *The Good Times Cookbook.*

Other restaurateurs believe attending the proper trade shows helps to build a customer base. Bill Levine of Sarabeth's Kitchen figures he spent $5,000 renting a booth, building and shipping his display and paying for hotel and transportation costs to attend the International Fancy Food & Confection Show in Atlanta, GA, last year. According to Levine, the cost was well worth it; orders far surpassed expenses.

A good deal of advance planning may be necessary to display at one of these shows, however. According to the National Association for the Specialty Food Trade, which sponsors the International Fancy Food & Confection Show, an exhibitor or its distributor must be a member of the association, and products must be sent in well in advance for approval to exhibit. This review process assures show buyers of the products' quality and the ability of exhibitors to deliver the items.

What gourmet shops look for . . .

According to a survey of buyers for gourmet food shops, the criteria they use to judge the suitability of a product include the attractiveness of the packaging and the taste and the nature of ingredients. "A product won't sell if it doesn't have visual appeal," says David Lewis, merchandise manager and buyer for the American Cafe's market division in Washington, DC, and Maryland.

Another factor that concerns Lewis is assurance of a steady supply of the product. "What dooms some of these cottage industries is supply. Usually, if they are at a show, such as the International Fancy Foods Show, they have their act together and are pretty well established. This means they have a certified kitchen, insurance and sanitation inspection procedures."

But Lewis and other buyers, including William Hyde, director of the food division for Bloomingdale's 14 food outlets, are always looking for new products. "We look at everything," says Hyde, whose division carries approximately 500 items. All a newcomer has to do is submit the product for evaluation.

In sum . . .

Packaging your best-sellers can open up an entirely new business opportunity—one with differences and rewards. "At the restaurant, you wait for the customers to come to you, and you deal with them directly. Selling products is the opposite: you work through intermediaries," observes Czarnecki. "Both ways are rewarding." ❑

> *"What dooms some of these cottage industries is supply."*

Bradley Ogden's simple but innovative regional fare has earned Campton Place a national following.

HOTEL CHEFS

Are Cooking Up Reputations For Their Restaurants

Once just "faceless" employees producing massive quantities of food, many of today's hotel chefs are celebrities in their own right. They are creating distinctive cuisines, which have become sophisticated signatures for their hotels. "From the beginning, our emphasis has been to treat Campton Place like a single unit restaurant, not a restaurant that is just an accessory to the hotel," explains Bradley Ogden, executive chef at Campton Place in San Francisco, CA. "Our philosophy was to create a 'name' restaurant, one whose reputation would draw hotel guests as well as local customers."

Vincent Maggiora

Seven years ago the 240-room Watergate Hotel in Washington, DC, decided it needed a powerful drawing card. Co-owner Nicholas Salgo's solution was to bring Jean-Louis Palladin—the youngest French chef ever to receive the coveted Michelin two-star rating—to the hotel to operate a showcase restaurant.

Salgo's instinct was not misplaced. Soon, the intimate 55-seat restaurant, aptly named after the creative chef, became a Washington landmark. So much so that investors interested in purchasing the Watergate complex stipulated they would only buy if Jean-Louis stayed.

"From the beginning, the restaurant was designed to enhance the image, prestige and reputation of the whole complex," says Jim Sneed, sous chef at the establishment. "And it's done it—in spades," he laughs.

The review in the April 1986 issue of *Gourmet* magazine is typical of the kind of praise the restaurant has received. "My absolute favorite restaurant in Washington, DC, is Jean-Louis at Watergate," begins Joan Nathan. . . . "From the beginning Jean-Louis at Watergate has been a gastronomic success, expanding local culinary horizons and delicately balancing tastes with such dishes as his *belon* oysters in a soup made with corn puree, cream and lobster; noodle terrine with truffles and *foie gras* served on a tomato-basil *coulis;* zucchini flowers stuffed with chicken, veal or lobster mousse. . . . Not every Picasso was a masterpiece, nor every Palladin creation [is] a culinary miracle, but it's always exciting and always one step beyond the classic French cuisine upon which his dishes are based. . . . What I like best about a meal at Jean-Louis in contrast to other favorite classic French restaurants—Washington's Le Lion d'Or or even New York's Lutece—is that Jean-Louis' menu is always full of brilliant surprises. . . ."

Emphasis on top chefs is escalating . . .

Palladin's success is not unique. From coast to coast, hotel managers are turning to their restaurants to build prestige, recognition and business. Lydia Shire, executive chef at Seasons in the 155-room Bostonian Hotel, believes the emphasis on top-quality chefs is escalating. "I've definitely seen a change in attitude among hotel general managers," she maintains. "They are looking for really bright, super-duper chefs who will add something special to the dining room."

Although Shire is much too modest to boast of her own achievements, Joanne Callahan, director of public relations says, "We made a point of hiring the best chef we could possibly find. And," she adds proudly, "her

Wild mushrooms gratin

Serves 4

1½ cups chanterelles, trimmed, stems removed & quartered
1½ cups shiitake mushrooms, trimmed, stems removed & quartered
1½ cups oyster mushrooms, stems removed
2 Tbs. sweet, unsalted butter
3 Tbs. shallots, minced
1 tsp. garlic, minced
⅓ cup Dry Sack sherry
¼ cup Madeira
1¾ cups heavy cream
½ tsp. ground white pepper
1 Tbs. kosher salt

Herb crust:

½ cup fresh white bread crumbs
½ cup parmesan cheese, grated
½ cup gruyere cheese, grated
3 Tbs. fresh parsley, chopped
1 Tbs. fresh basil, chopped
1 tsp. fresh thyme, chopped

Melt the butter in a large skillet over medium heat. Add the shallots and saute for two minutes, or until translucent. Add the garlic and saute for another minute. Add the mushrooms and saute five to seven minutes.

Add the remaining ingredients and saute for five minutes. Remove mushrooms to prevent overcooking. Continue to reduce the sauce until it coats the back of a spoon, approximately 10 minutes.

Combine all the ingredients for the herb crust and store in a sealed container until ready to use.

Mix the mushrooms back into the sauce and place in ovenproof dishes (eight-ounce capacity). Top with herb crust mixture and brown under the broiler very quickly or cook in a very hot oven. Serve immediately.

—Courtesy of Campton Place

Dean Fearing, a pioneer of Southwestern cooking, has enhanced the Mansion on Turtle Creek's reputation for creative Southwestern cuisine.

Tortilla Soup

serves 6 to 8

3 Tbs.	corn oil
1 cup	onions (pureed)
2 cups	fresh tomatoes (pureed)
1 Tbs.	cumin powder
1 tsp.	chili powder
1	bay leaf
½ branch	epasote
2 Tbs.	tomato puree
4 cloves	garlic (finely chopped)
2 quarts	chicken stock
2	corn tortillas (choped)
to taste	salt and cayenne pepper to taste

In a soup pot, heat the corn oil and saute tortillas with garlic and epasote. Add onions and pureed fresh tomatoes. Bring to a boil. Add cumin, tomato puree, bay leaf, chili powder and chicken stock. Bring to a boil again. Add salt and cayenne pepper to taste and cook for one half hour. Strain through a fine strainer and remove all large particles.

Garnishes as desired

1	breast of chicken
1	avocado (peeled and cubed)
3	ounces cheddar cheese
3	corn tortillas (cut into thin strips and fried)

—Courtesy of Mansion on Turtle Creek

Jean-Louis Palladin's reputation has drawn many notables to Jean-Louis at Watergate.

Fresh raviolis with summer herbs, tomatoes and olive oil

Serves one

2 leaves fresh lemon verbena
2 leaves chocolate mint
2 leaves pineapple sage
1 ripe tomato, peeled
virgin olive oil vinaigrette

Ravioli dough

1 cup semolina flour
1 egg
2 Tbs. water
1 tsp. salt
1 Tbs. olive oil

Mix all ingredients for dough together in a food processor with bread blade. Let dough rest for a couple of hours or overnight. It should be fairly tight and elastic.

Roll out a very thin sheet (as thin as possible) and lay one leaf of each herb on top—about one inch apart. Roll out another thin sheet, brush very lightly with beaten egg and lay on top of the other. Divide the sheets between each herb leaf. Roll each square through pasta machine (at a higher setting) one more time. Cut ravioli in the shape of a leaf. Poach them in chicken or veal stock or salted water for one minute. Coat lightly with some vinaigrette.

Peel tomatoes after plunging them into boiling water for 10 seconds and then in ice water. Slice. Coat lightly with vinaigrette.

Arrange tomatoes and ravioli in a pattern on plate. Garnish the center with some sliced avocados, curly endive or wild mushrooms.

—Courtesy of Jean-Louis at Watergate

Lydia Shire's seasonal specialties have drawn rave reviews for the Bostonian Hotel's Seasons restaurant.

reputation has helped market the hotel all over the country."

In the February 27, 1986 issue of *The Boston Globe* Robert Levy awarded Season 4½ stars out of a possible five-star rating. "The question most frequently posed to a restaurant critic," he says, "is 'What is the best restaurant in town?' With all the excellent dining rooms of varying styles that have opened in Boston in the 1980s, it has become impossible to pick just one. Seasons is certainly among the half dozen restaurants that could stake a fair claim."

More innovative menus . . .

More creative chefs entering the hotel segment naturally means more innovative hotel menus. No longer just extensive lists of entrees that stay the same for years, today's hotel menus are less predictable. They are often smaller and more individualistic, and they change frequently.

"We try to continually excite people," says Lydia Shire at Seasons. The menu offers regional products and changes four times a year to reflect the seasons. Although offerings include a large number of New England items, Shire also likes to experiment with international flavors. In her

Ossetra Caviar with Toasted Tunisian Brik, a glistening black ounce of ossetra is mounded next to a dollop of sour cream at the edge of a large plate dominated by a free-form puff of fried phyllo dough. This is the *brik* of North African origin which, before baking, is filled with small cubes of fresh tuna, a bit of potato, some beaten egg and an exotic blend of North African spices.

At Campton Place, the celebrated 68-seat restaurant in the 123-room Campton Place Hotel, San Francisco, CA, more than 85 percent of the customers are local residents. Within one week of the dining room's opening in October 1983, the restaurant was filled for lunch and dinner and has been filled every day since. Diners know they can expect the deliciously prepared American specialties that have earned Bradley Ogden, the executive chef, a national following. But they also come because they know that the menu doesn't stay the same.

Every two weeks, the 10 to 12-item menu changes because Ogden believes variety is essential to any restaurant's success. Menus are changed serially so there is time to develop dishes but favorites do reappear, such as "Wild Mushrooms in Cream and Sherry with an Herb Crust" and "Blue Corn Cakes with Spiny Lobster."

"I strive to keep food simple and attractive with the interest coming from the contrast of flavors, colors and textures," says Ogden. "Too many restaurants produce food just for the art of creating. They forget that in good, simple food there can still be a great deal of creativity."

Critics seem to agree with Ogden. A 1984 review by the *New York Times* concluded with the observation that "there is little to fault at Campton Place."

Other hotel food outlets benefit . . .

Top chefs are also ensuring a standard of excellence in the hotel's other food operations. The produce they buy fresh from local farmers and the delicacies they fly in—from Louisiana crayfish to Brazilian hearts of palm—often enhance banquets, room service selections and other food outlets in hotels.

Their philosophies make a difference as well. For example, room service orders at the Mansion on Turtle Creek in Dallas, TX—140 rooms; 142-seat dining room—are served course by course—just like in the dining room. "This type of service is very time-consuming," confesses food and beverage director Patrick Columbo, "but it's the only way we can protect the quality of the food. Plus it gives us the chance to bring fresh water and silver. Most guests appreciate the thoughtfulness." They also appreciate other service touches—such as delivering pasta and sauces in separate containers.

At Campton Place, on the other hand, the room service philosophy is not simply to recreate the dining room experience but rather to make customers feel at home. Although guests can order from the dining room menu, special orders are welcome. "If the ingredients are available, there is nothing we won't serve to a customer—whether it's caviar, a grilled cheese sandwich with homemade chips or an apple," says Bradley Ogden. Television personality Richard Simmons, for example, regularly requests a roasted free-ranging chicken. All orders—however small—are served on silver trays with linens.

Getting the word out . . .

Hotels are not sitting back, however, hoping word will get out about their creative chefs. They are marketing them. At the Mansion on Turtle Creek, executive chef Dean Fearing is encouraged to come out of the kitchen and talk to customers. "It's important to be more personal," says Columbo. "Customers feel special when the chef talks to them, and people make a point of going where they feel special."

In addition, the Mansion, which is famous for its distinctive Southwestern food and its extensive wine list, holds regular cooking classes and food and wine pairing courses. "Not only do people become more familiar with the restaurant, they usually become loyal patrons as well," notes Columbo.

Le Recolte, an elegant 108-seat French restaurant in the 698-room Inter-Continental Hotel in New York, NY, takes this idea one step further by inviting patrons to cook with executive chef Christian Leveque. Participants don a chef's jacket, pants and apron and serve as members of the cooking team for one hectic night. After being exposed to the kitchen's inner workings, the customers come away with a deeper appreciation for the restaurant's quality food and the chef's expertise.

Why chefs are working at hotels . . .

Juggling restaurants, hotel functions and room service can be a mind-boggling challenge. More and more culinary professionals, however, are taking the plunge.

After 22 years of working in independent restaurants, Dan Hugelier, world champion chef and a member of the respected U.S. Culinary Team, accepted the position of executive chef at the 682-room Amway Grand Plaza in Grand Rapids, MI, because he was intrigued by the extensive opportunities the hotel operation presented. With 8 diverse restaurants, from a coffee shop to the gourmet Cygnus (singled out three years in a row as the "ultimate dining experience" by readers of *West Michigan Magazine*), the range of creative possibilities is endless. "Here we have the chance to express, at any level, all aspects of American cuisine," he says. "But it does take energy," he adds. "In fact, it's the hardest job I've ever had."

Even so, many chefs find hotel restaurants offer a tremendous amount of excitement. "It's like a little city unto itself. It never closes," maintains Lydia Shire, executive chef at Seasons in the Bostonian Hotel. "Although there is a lot of pressure, there is definitely a certain excitement about working in a hotel."

Technical advantages are also a strong drawing card. "In many ways it is easier to work in a hotel," explains Shire. "We have great equipment and plenty of space to work in."

Because hotels purchase large quantities of food, they can take advantage of economies of scale and can take more latitude with the ingredients they purchase. This kind of flexibility stimulates chefs' creativity.

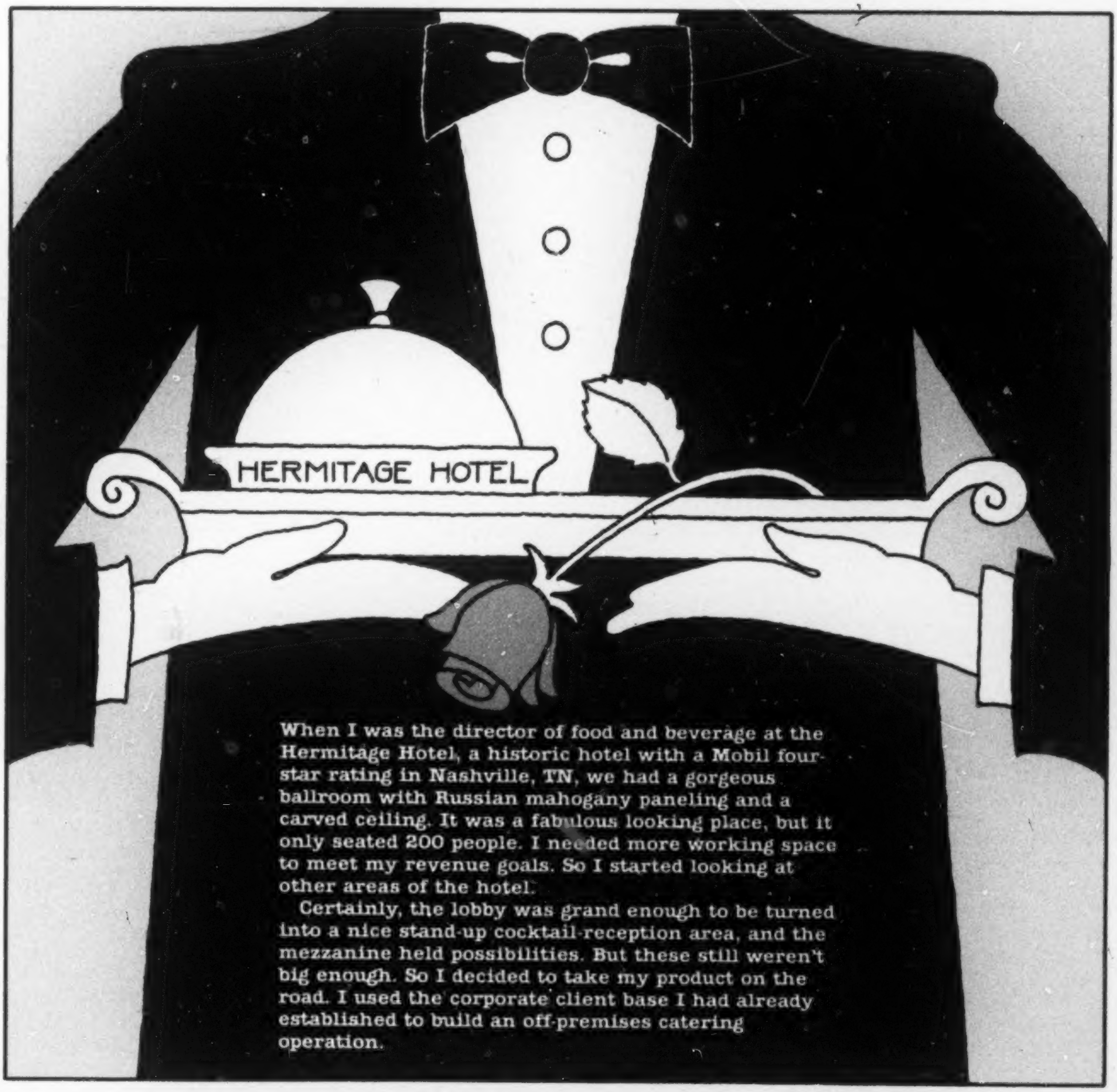
Besides big budgets, hotels also often have many talented food professionals on hand. "The key to success is the staff around you," maintains Bradley Ogden. At the Campton Place Hotel most of the 25 people on the food and beverage staff are culinary graduates, but there is an ex-chemist and a mushroom farmer as well. "These are all good people who enjoy what they are doing," says Ogden. "And they all want my job." ❑

—Cecelia Niepold

VIEWPOINT

HOW ONE HOTEL BUILT A CATERING BUSINESS

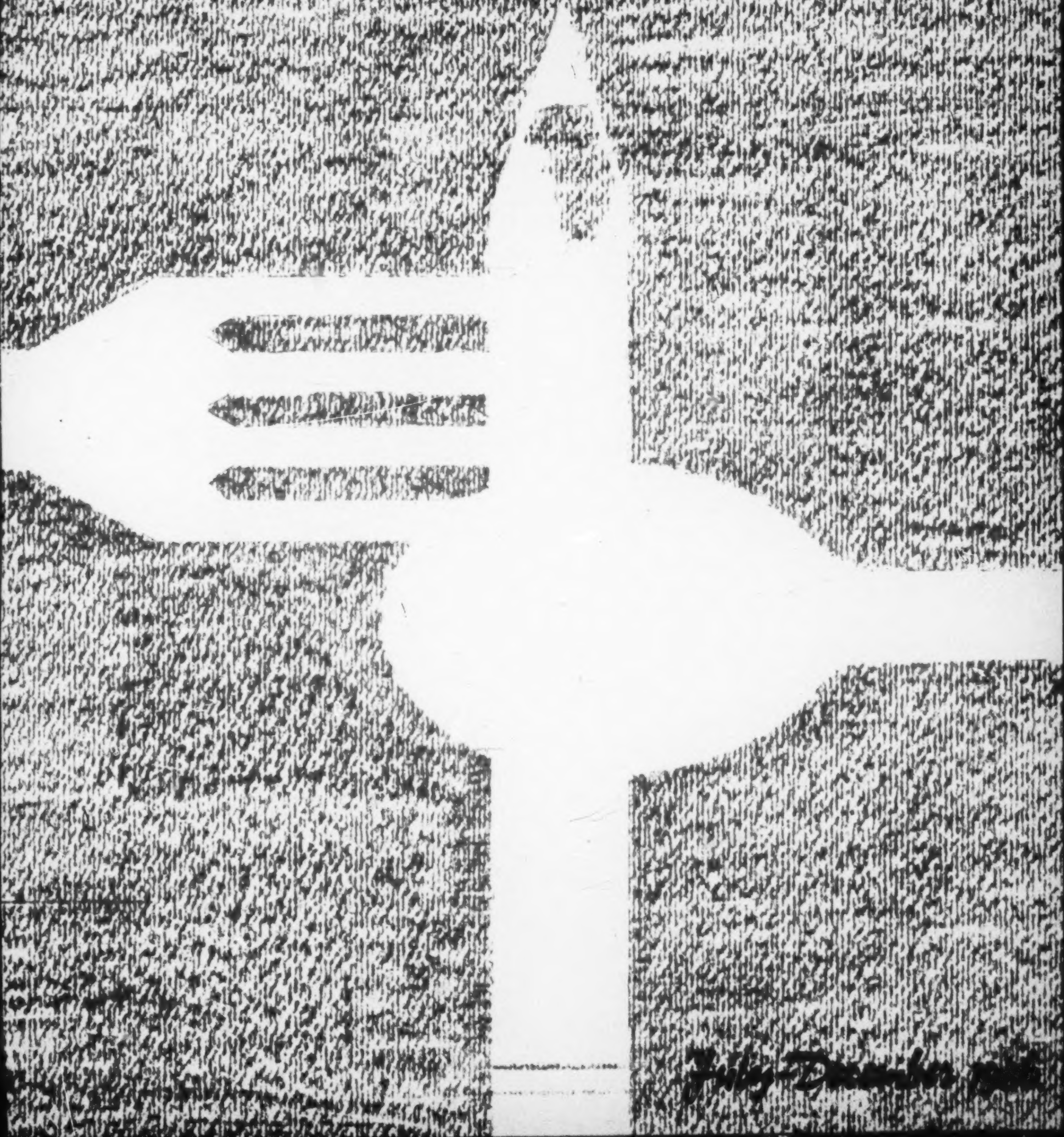
by Mark Snyder



When I was the director of food and beverage at the Hermitage Hotel, a historic hotel with a Mobil four-star rating in Nashville, TN, we had a gorgeous ballroom with Russian mahogany paneling and a carved ceiling. It was a fabulous looking place, but it only seated 200 people. I needed more working space to meet my revenue goals. So I started looking at other areas of the hotel.

Certainly, the lobby was grand enough to be turned into a nice stand-up cocktail-reception area, and the mezzanine held possibilities. But these still weren't big enough. So I decided to take my product on the road. I used the corporate client base I had already established to build an off-premises catering operation.

National Restaurant Association
Education Programs



July-December [illegible]

Seminars b

The National Restaurant Association is the leading source of information and education in the foodservice industry. Since the 1940s, we have offered members a wide range of courses. During the 1980s, NRA has expanded its offerings. Our current curriculum includes workshops and seminars, the national conference series and the newly-introduced video training program.

Attendees of NRA's educational programs consistently give them the highest ratings. A continuous quality control program allows us to review, revise or redesign our programs to keep up with the evolution of our industry. A recent NRA membership survey ranked education programs among the top five NRA services.

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Train today, profit tomorrow.

FOODSERVICE MANAGEMENT

Banquet Management

8/7	San Francisco, CA
9/15	Toronto, Ontario, Canada
9/29	Knoxville, TN
10/6	Detroit, MI
10/7	Indianapolis, IN
11/3	Baltimore, MD
11/17	St. Louis, MO
12/2	Tampa, FL

Beverage Management

7/29-30	Austin, TX
8/12-13	Alexandria, VA
9/15-16	Atlantic City, NJ
9/23-24	Milwaukee, WI
11/5-6	Seattle, WA
11/18-19	Louisville, KY

Business Dynamics for Women in Foodservice

7/22	Portland, OR
8/18	Philadelphia, PA
9/22	Boston, MA
12/3	Atlanta, GA

Planning Successful Buffets

8/5	Anaheim, CA
8/18	Cincinnati, OH
9/3	Atlanta, GA
10/27	Bethesda, MD
10/28	Philadelphia, PA
12/4	Jacksonville, FL

Employee Motivation: Management Techniques to Build Morale

7/21	Newport Beach, CA
9/16	Atlantic City, NJ
9/18	Cincinnati, OH
10/7	Atlanta, GA
10/9	Ft. Lauderdale, FL
11/10	Ft. Worth, TX

Food Cost Management

8/5	Tacoma, WA
8/19	Montgomery, AL
9/9	Columbia, SC
9/16	Lexington, KY
9/18	Westchester, NY
11/3	San Diego, CA
11/18	St. Louis, MO
12/2	Austin, TX

Foodservice Operators' Legal Workshop

7/14	Louisville KY
9/15	Atlantic City, NJ
10/14	Richmond, VA
11/10	Minneapolis, MN
11/17	Nashville, TN

Menus That Sell! Strategies for Menu Development and Design

7/21	Chicago, IL
8/12	Charleston, WV
9/22	Lancaster, PA
10/14	Cape Cod, MA
11/5	Newark, NJ

Negotiating for, and Financing, Foodservice Facilities

8/4-5	Detroit, MI
8/25-26	New York, NY
10/16-17	Raleigh, NC
11/5-6	Madison, WI

Off-Premises Catering

7/15-16	Long Island, NY
8/5-6	Philadelphia, PA
9/9-10	Baltimore, MD
10/28-29	Cleveland, OH
11/5-6	West Palm Beach, FL
12/3-4	Chicago, IL

Operational Analysis

7/28-29	St. Louis, MO
8/12-13	Newark, NJ
10/6-7	Washington, DC
11/12-13	Indianapolis, IN

Real Estate and Restaurant Site Selection

8/6-7	Denver, CO
9/8-9	Nashville, TN
10/14-15	Milwaukee, WI
11/12-13	Portland, OR

Restaurant Design and Facilities Planning

9/17-18	Vienna, VA
10/8-9	New York, NY
11/10-11	Denver, CO

Stress and Foodservice: Managing the "Pressure Cooker" Syndrome

8/6	Boston, MA
9/8	Springfield, VA
9/24	Greensboro, NC
9/29	Columbus, OH
10/15	Sacramento, CA
10/16	Burlingame, CA

Planning and Implementing Restaurant Marketing Strategy

7/30-31	Washington, DC
9/9-10	Seattle, WA
10/7-8	Phoenix, AZ
10/21-22	Minneapolis, MN
11/17-18	St. Louis, MO

Wine and the Bottom Line

7/23	Newark, NJ
10/6	Denver, CO
11/3	Boston, MA
11/18	Rochester, NY
12/8	La Jolla, CA
12/10	Santa Barbara, CA

Team Work – Atlantic City

9/15	Dining Room Management
9/15	Foodservice Operators' Legal Workshop
9/15-16	Beverage Management
9/16	Kitchen Management
9/16	Employee Motivation: Management Techniques to Build Morale

Team Work – St. Louis

11/17	People-Power and Profits
11/17	Banquet Management
11/17-18	Planning and Implementing Restaurant Marketing Strategy
11/18	Food Cost Management
11/18	Kitchen Management

y Topic

BASIC FOODSERVICE

Dining Room Management

7/30	Wilmington, DE
8/19	Annapolis, MD
8/21	Lansing, MI
9/8	Houston, TX
9/10	Oklahoma City, OK
9/15	Atlantic City, NJ
10/9	Williamsburg, VA
10/15	Eugene, OR
10/20	Appleton, WI
10/27	Louisville, KY
11/17	Monterey, CA
11/19	Sacramento, CA

Dining Room Management: Sales and Service

8/20	Annapolis, MD
8/26	Lansing, MI
9/9	Houston, TX
10/21	Appleton, WI
11/18	Monterey, CA
11/20	Sacramento, CA
12/1	Toronto, Ontario, Canada

Kitchen Management

7/15	Tacoma, WA
7/17	Anchorage, AK
7/28	Springfield, MA
8/4	St. Paul, MN
8/6	Kansas City, MO
8/18	New Orleans, LA
8/25	Orlando, FL
9/9	San Diego, CA
9/11	Tucson, AZ
9/16	Atlantic City, NJ
9/24	Providence, RI
10/7	Toronto, Ontario, Canada
10/8	Winnipeg, Manitoba, Canada
10/21	Albuquerque, NM
11/18	St. Louis, MO
11/20	Columbus, OH

People-Power and Profits

9/8	Minneapolis, MN
9/30	Annapolis, MD
10/8	Portland, OR
10/16	Worcester, MA
11/17	St. Louis, MO

Tools for Training

7/22	Danbury, CT
7/24	Burlington, VT
8/11	Charlotte, NC
9/10	New Orleans, LA
10/6	Dallas, TX
11/10	Cincinnati, OH
11/12	Detroit, MI
12/9	Harrisburg, PA

FOOD PRODUCTION

Perfecting Your Culinary Skills

8/5	Columbus, OH
8/19	Manchester, NH
9/16	Grand Rapids, MI
10/16	Rochester, NY
10/28	Denver, CO
11/11	Wilmington, DE
12/9	Salt Lake City, UT

Simplified Baking Workshop

8/12	Pittsburg, PA
9/9	Chicago, IL
9/23	Denver, CO
10/7	Burlington, VT
11/11	Norfolk, VA

Soups and Sauces

8/11	Madison, WI
8/12	Omaha, NE
11/10	Concord, NH
11/11	Warwick, RI
12/8	Des Moines, IA
12/10	Cheyenne, WY

NATIONAL CONFERENCES

National Conference on Marketing Advertising and Promotions

8/17-20 Chicago, IL

Eleventh Annual California Wine Workshop

9/29-10/2 Monterey, CA

National Conference on Catering

11/16-19 New Orleans, LA

Independent Foodservice Operators National Conference

1/18-21/87 San Francisco, CA

National Conference on Computers in Foodservice

3/8-11/87 Dallas, TX

Seminars by State

ALABAMA

8/19	Food Cost Management	Montgomery

ALASKA

7/17	Kitchen Management	Anchorage

ARIZONA

9/11	Kitchen Management	Tucson
10/7-8	Planning and Implementing Restaurant Marketing Strategy	Phoenix

CALIFORNIA

7/21	Employee Motivation: Management Techniques to Build Morale	Newport Beach
8/5	Planning Successful Buffets	Anaheim
8/7	Banquet Management	San Francisco
9/9	Kitchen Management	San Diego
9/29-10/2	Eleventh Annual California Wine Workshop	Monterey
10/15	Stress and Foodservice	Sacramento
10/16	Stress and Foodservice	Burlingame
11/3	Food Cost Management	San Diego
11/17	Dining Room Management	Monterey
11/18	Dining Room Management: Sales and Service	Monterey
11/19	Dining Room Management	Sacramento
11/20	Dining Room Management: Sales and Service	Sacramento
12/8	Wine and the Bottom Line	La Jolla
12/10	Wine and the Bottom Line	Santa Barbara
1/18-21/87	Independent Foodservice Operator's National Conference	San Francisco

COLORADO

8/6-7	Real Estate and Restaurant Site Selection	Denver
9/23	Simplified Baking Workshop	Denver
10/6	Wine and the Bottom Line	Denver
10/28	Perfecting Your Culinary Skills	Denver
11/10-11	Restaurant Design and Facilities Planning	Denver

CONNECTICUT

7/22	Tools for Training	Danbury

DELAWARE

7/30	Dining Room Management	Wilmington
11/11	Perfecting Your Culinary Skills	Wilmington

DISTRICT OF COLUMBIA

7/30-31	Planning and Implementing Restaurant Marketing Strategy	Washington, DC
8/12-13	Beverage Management	Alexandria, VA
9/8	Stress and Foodservice	Springfield, VA
9/17-18	Restaurant Design and Facilities Planning	Vienna, VA
10/6-7	Operational Analysis	Washington, DC
10/27	Planning Successful Buffets	Bethesda, MD

FLORIDA

8/25	Kitchen Management	Orlando
10/9	Employee Motivation: Management Techniques to Build Morale	Ft. Lauderdale
11/5-6	Off-Premises Catering	West Palm Beach
12/2	Banquet Management	Tampa
12/4	Planning Successful Buffets	Jacksonville

GEORGIA

9/3	Planning Successful Buffets	Atlanta
10/7	Employee Motivation: Management Techniques to Build Morale	Atlanta
12/3	Women in Foodservice	Atlanta

ILLINOIS

7/21	Menus that Sell!	Chicago
8/17-20	National Conference on Marketing, Advertising and Promotions	Chicago
9/9	Simplified Baking Workshop	Chicago
12/3-4	Off-Premises Catering	Chicago

INDIANA

10/7	Banquet Management	Indianapolis
11/12-13	Operational Analysis	Indianapolis

IOWA

12/8	Soups and Sauces	Des Moines

KENTUCKY

7/14	Foodservice Operators' Legal Workshop	Louisville
9/16	Food Cost Management	Lexington
10/27	Dining Room Management	Louisville
11/18-19	Beverage Management	Louisville

LOUISIANA

8/18	Kitchen Management	New Orleans
9/10	Tools for Training	New Orleans
11/16-19	National Conference on Catering	New Orleans

MARYLAND

8/19	Dining Room Management	Annapolis
8/20	Dining Room Management: Sales and Service	Annapolis
9/9-10	Off-Premises Catering	Baltimore
9/30	People-Power and Profits	Annapolis
10/27	Planning Successful Buffets	Bethesda
11/3	Banquet Management	Baltimore

MASSACHUSETTS

7/28	Kitchen Management	Springfield
8/6	Stress and Foodservice	Boston
9/22	Women in Foodservice	Boston
10/14	Menus that Sell!	Cape Cod
10/16	People-Power and Profits	Worcester
11/3	Wine and the Bottom Line	Boston

MICHIGAN

8/4-5	Negotiating for, and Financing, Foodservice Facilities	Detroit
8/21	Dining Room Management	Lansing
8/26	Dining Room Management: Sales and Service	Lansing
9/16	Perfecting Your Culinary Skills	Grand Rapids
10/6	Banquet Management	Detroit
11/12	Tools for Training	Detroit

MINNESOTA

8/4	Kitchen Management	St. Paul
9/8	People-Power and Profits	Minneapolis
10/21-22	Planning and Implementing Restaurant Marketing Strategy	Minneapolis
11/10	Foodservice Operator's Legal Workshop	Minneapolis

MISSOURI

7/28-29	Operational Analysis	St. Louis
8/6	Kitchen Management	Kansas City
11/17	Banquet Management	St. Louis
11/17	People-Power and Profits	St. Louis
11/17-18	Planning and Implementing Restaurant Marketing Strategy	St. Louis
11/18	Kitchen Management	St. Louis
11/18	Food Cost Management	St. Louis

NEBRASKA

8/12	Soups and Sauces	Omaha

NEW HAMPSHIRE

8/19	Perfecting Your Culinary Skills	Manchester
11/10	Soups and Sauces	Concord

NEW JERSEY

7/23	Wine and the Bottom Line	Newark
8/12-13	Operational Analysis	Newark
9/15	Dining Room Management	Atlantic City
9/15	Foodservice Operators' Legal Workshop	Atlantic City
9/15-16	Beverage Management	Atlantic City
9/16	Employee Motivation: Management Techniques to Build Morale	Atlantic City
9/16	Kitchen Management	Atlantic City
11/5	Menus that Sell!	Newark

NEW MEXICO

10/21	Kitchen Management	Albuquerque

NEW YORK

7/15-16	Off-Premises Catering	Long Island
8/25-26	Negotiating for, and Financing, Foodservice Facilities	New York City
9/18	Food Cost Management	Westchester
10/8-9	Restaurant Design and Facilities Planning	New York City
10/16	Pefecting Your Culinary Skills	Rochester
11/18	Wine and the Bottom Line	Rochester

NORTH CAROLINA

8/11	Tools for Training	Charlotte
9/24	Stress and Foodservice	Greensboro
10/16-17	Negotiating for, and Financing, Foodservice Facilities.	Raleigh

OHIO

8/5	Perfecting Your Culinary Skills	Columbus
8/18	Planning Successful Buffets	Cincinnati
9/18	Employee Motivation: Management Techniques to Build Morale	Cincinnati
9/29	Stress and Foodservice	Columbus
10/28-29	Off-Premises Catering	Cleveland

11/10	Tools for Training	Cincinnati
11/20	Kitchen Management	Columbus

OKLAHOMA

9/10	Dining Room Management	Oklahoma City

OREGON

7/22	Women in Foodservice	Portland
10/8	People-Power and Profits	Portland
10/15	Dining Room Management	Eugene
11/12-13	Real Estate and Restaurant Site Selection	Portland

PENNSYLVANIA

8/5-6	Off-Premises Catering	Philadelphia
8/12	Simplified Baking Workshop	Pittsburgh
8/18	Women in Foodservice	Philadelphia
9/22	Menus that Sell!	Lancaster
10/28	Planning Successful Buffets	Philadelphia
12/9	Tools for Training	Harrisburg

RHODE ISLAND

9/24	Kitchen Management	Providence
11/11	Soups and Sauces	Warwick

SOUTH CAROLINA

9/9	Food Cost Management	Columbia

TENNESSEE

9/8-9	Real Estate and Restaurant Site Selection	Nashville
9/29	Banquet Management	Knoxville
11/17	Foodservice Operators' Legal Workshop	Nashville

TEXAS

7/29-30	Beverage Management	Austin
9/8	Dining Room Management	Houston
9/9	Dining Room Management: Sales and Service	Houston
10/6	Tools for Training	Dallas
11/10	Employee Motivation: Management Techniques to Build Morale	Ft. Worth
12/2	Food Cost Management	Austin
3/8-11/87	National Conference on Computers in Foodservice	Dallas

UTAH

12/9	Perfecting Your Culinary Skills	Salt Lake City

VERMONT

7/24	Tools for Training	Burlington
10/7	Simplified Baking Workshop	Burlington

VIRGINIA

8/12-13	Beverage Management	Alexandria
9/8	Stress and Foodservice	Springfield
9/17-18	Restaurant Design and Facilities Planning	Vienna
10/9	Dining Room Management	Williamsburg
10/14	Foodservice Operators' Legal Workshop	Richmond
11/11	Simplified Baking Workshop	Norfolk

WASHINGTON

7/15	Kitchen Management	Tacoma
8/5	Food Cost Management	Tacoma
9/9-10	Planning and Implementing Restaurant Marketing Strategy	Seattle
11/5-6	Beverage Management	Seattle

WEST VIRGINIA

8/12	Menus that Sell!	Charleston

WISCONSIN

8/11	Soups and Sauces	Madison
9/23-24	Beverage Management	Milwaukee
10/14-15	Real Estate and Restaurant Site Selection	Milwaukee
10/20	Dining Room Management	Appleton
10/21	Dining Room Management: Sales and Service	Appleton
11/5-6	Negotiating for, and Financing, Foodservice Facilities	Madison

WYOMING

12/10	Soups and Sauces	Cheyenne

CANADA

9/15	Banquet Management	Toronto, Ontario
10/7	Kitchen Management	Toronto, Ontario
10/8	Kitchen Management	Winnipeg, Manitoba
12/1	Dining Room Management: Sales and Service	Toronto, Ontario

Seminars by Date

JULY

7/14	Foodservice Operators' Legal Workshop	Louisville, KY
7/15-16	Off-Premises Catering	Long Island, NY
7/15	Kitchen Management	Tacoma, WA
7/17	Kitchen Management	Anchorage, AK
7/21	Menus that Sell!	Chicago, IL
7/21	Employee Motivation: Management Techniques to Build Morale	Newport Beach, CA
7/22	Women in Foodservice	Portland, OR
7/22	Tools for Training	Danbury, CT
7/23	Wine and the Bottom Line	Newark, NJ
7/24	Tools for Training	Burlington, VT
7/28-29	Operational Analysis	St. Louis, MO
7/28	Kitchen Management	Springfield, MA
7/29-30	Beverage Management	Austin, TX
7/30-31	Planning and Implementing Restaurant Marketing Strategy	Washington, DC
7/30	Dining Room Management	Wilmington, DE

AUGUST

8/4	Kitchen Management	St. Paul, MN
8/4-5	Negotiating for, and Financing, Foodservice Facilities	Detroit, MI
8/5-6	Off-Premises Catering	Philadelphia, PA
8/5	Perfecting Your Culinary Skills	Columbus, OH
8/5	Food Cost Management	Tacoma, WA
8/5	Planning Successful Buffets	Anaheim, CA
8/6	Stress and Foodservice	Boston, MA
8/6	Kitchen Management	Kansas City, MO
8/6-7	Real Estate and Restaurant Site Selection	Denver, CO
8/7	Banquet Management	San Francisco, CA
8/11	Soups and Sauces	Madison, WI
8/11	Tools for Training	Charlotte, NC
8/12-13	Beverage Management	Alexandria, VA
8/12	Simplified Baking Workshop	Pittsburgh, PA
8/12	Menus that Sell!	Charleston, WV
8/12-13	Operational Analysis	Newark, NJ
8/12	Soups and Sauces	Omaha, NE
8/17-20	National Conference on Marketing, Advertising and Promotions	Chicago, IL
8/18	Women in Foodservice	Philadelphia, PA
8/18	Planning Successful Buffets	Cincinnati, OH
8/18	Kitchen Management	New Orleans, LA
8/19	Food Cost Management	Montgomery, AL
8/19	Perfecting Your Culinary Skills	Manchester, NH
8/19	Dining Room Management	Annapolis, MD
8/20	Dining Room Management: Sales and Service	Annapolis, MD
8/21	Dining Room Management	Lansing, MI
8/25	Kitchen Management	Orlando, FL
8/25-26	Negotiating for, and Financing, Foodservice Facilities	New York, NY
8/26	Dining Room Management: Sales and Service	Lansing, MI

SEPTEMBER

9/3	Planning Successful Buffets	Atlanta, GA
9/8	Stress and Foodservice	Springfield, VA
9/8	People-Power and Profits	Minneapolis, MN
9/8-9	Real Estate and Restaurant Site Selection	Nashville, TN
9/8	Dining Room Management	Houston, TX
9/9	Dining Room Management: Sales and Service	Houston, TX
9/9	Food Cost Management	Columbia, SC
9/9	Kitchen Management	San Diego, CA
9/9	Simplified Baking Workshop	Chicago, IL
9/9-10	Planning and Implementing Restaurant Marketing Strategy	Seattle, WA
9/9-10	Off-Premises Catering	Baltimore, MD
9/10	Tools for Training	New Orleans, LA
9/10	Dining Room Management	Oklahoma City, OK
9/11	Kitchen Management	Tucson, AZ
9/15	Dining Room Management	Atlantic City, NJ
9/15	Foodservice Operators' Legal Workshop	Atlantic City, NJ
9/15	Banquet Management	Toronto, Ontario, Canada
9/15-16	Beverage Management	Atlantic City, NJ
9/16	Food Cost Management	Lexington, KY
9/16	Kitchen Management	Atlantic City, NJ
9/16	Employee Motivation: Management Techniques to Build Morale	Atlantic City, NJ
9/16	Perfecting Your Culinary Skills	Grand Rapids, MI
9/17-18	Restaurant Design and Facilities Planning	Vienna, VA
9/18	Food Cost Management	Westchester, NY
9/18	Employee Motivation: Management Techniques to Build Morale	Cincinnati, OH
9/22	Menus that Sell!	Lancaster, PA
9/22	Women in Foodservice	Boston, MA
9/23-24	Beverage Management	Milwaukee, WI
9/23	Simplified Baking Workshop	Denver, CO
9/24	Stress and Foodservice	Greensboro, NC
9/24	Kitchen Management	Providence, RI
9/29	Banquet Management	Knoxville, TN
9/29	Stress and Foodservice	Columbus, OH
9/29-10/2	Eleventh Annual California Wine Workshop	Monterey, CA
9/30	People-Power and Profits	Annapolis, MD

OCTOBER

10/6-7	Operational Analysis	Washington, DC
10/6	Tools for Training	Dallas, TX
10/6	Wine and the Bottom Line	Denver, CO
10/6	Banquet Management	Detroit, MI
10/7	Employee Motivation: Management Techniques to Build Morale	Atlanta, GA
10/7	Simplified Baking Workshop	Burlington, VT
10/7	Banquet Management	Indianapolis, IN
10/7	Kitchen Management	Toronto, Ontario, Canada
10/7-8	Planning and Implementing Restaurant Marketing Strategy	Phoenix, AZ
10/8	People-Power and Profits	Portland, OR
10/8-9	Restaurant Design and Facilities Planning	New York, NY
10/8	Kitchen Management	Winnipeg, Manitoba, Canada
10/9	Employee Motivation: Management Techniques to Build Morale	Ft. Lauderdale, FL
10/9	Dining Room Management	Williamsburg, VA
10/14	Foodservice Operators' Legal Workshop	Richmond, VA
10/14	Menus that Sell!	Cape Cod, MA
10/14-15	Real Estate and Restaurant Site Selection	Milwaukee, WI
10/15	Stress and Foodservice	Sacramento, CA
10/15	Dining Room Management	Eugene, OR
10/16-17	Negotiating for, and Financing, Foodservice Facilities	Raleigh, NC
10/16	Stress and Foodservice	Burlingame, CA
10/16	Perfecting Your Culinary Skills	Rochester, NY
10/16	People-Power and Profits	Worcester, MA
10/20	Dining Room Management	Appleton, WI
10/21	Dining Room Management: Sales and Service	Appleton, WI
10/21-22	Planning and Implementing Restaurant Marketing Strategy	Minneapolis, MN
10/21	Kitchen Management	Albuquerque, NM
10/27	Planning Successful Buffets	Bethesda, MD
10/27	Dining Room Management	Louisville, KY
10/28	Planning Successful Buffets	Philadelphia, PA

10/28-29	Off-Premises Catering	Cleveland, OH
10/28	Perfecting Your Culinary Skills	Denver, CO

NOVEMBER

11/3	Food Cost Management	San Diego, CA
11/3	Wine and the Bottom Line	Boston, MA
11/3	Banquet Management	Baltimore, MD
11/5-6	Beverage Management	Seattle, WA
11/5	Menus that Sell!	Newark, NJ
11/5-6	Negotiating for, and Financing, Foodservice Facilities	Madison, WI
11/5-6	Off-Premises Catering	West Palm Beach, FL
11/10	Foodservice Operators' Legal Workshop	Minneapolis, MN
11/10	Employee Motivation: Management Techniques to Build Morale	Ft. Worth, TX
11/10-11	Restaurant Design and Facilities Planning	Denver, CO
11/10	Tools for Training	Cincinnati, OH
11/10	Soups and Sauces	Concord, NH
11/11	Simplified Baking Workshop	Norfolk, VA
11/11	Perfecting Your Culinary Skills	Wilmington, DE
11/11	Soups and Sauces	Warwick, RI
11/12-13	Real Estate and Restaurant Site Selection	Portland, OR
11/12-13	Operational Analysis	Indianapolis, IN
11/12	Tools for Training	Detroit, MI
11/16-19	National Conference on Catering	New Orleans, LA
11/17	Foodservice Operators' Legal Workshop	Nashville, TN
11/17-18	Planning and Implementing Restaurant Marketing Strategy	St. Louis, MO
11/17	Banquet Management	St. Louis, MO
11/17	People-Power and Profits	St. Louis, MO
11/17	Dining Room Management	Monterey, CA
11/18-19	Beverage Management	Louisville, KY
11/18	Food Cost Management	St. Louis, MO
11/18	Kitchen Management	St. Louis, MO
11/18	Dining Room Management: Sales and Service	Monterey, CA
11/18	Wine and the Bottom Line	Rochester, NY
11/19	Dining Room Management	Sacramento, CA
11/20	Kitchen Management	Columbus, OH
11/20	Dining Room Management: Sales and Service	Sacramento, CA

DECEMBER

12/1	Dining Room Management: Sales and Service	Toronto, Ontario Canada
12/2	Banquet Management	Tampa, FL
12/2	Food Cost Management	Austin, TX
12/3	Women in Foodservice	Atlanta, GA
12/3-4	Off-Premises Catering	Chicago, IL
12/4	Planning Successful Buffets	Jacksonville, FL
12/8	Wine and the Bottom Line	La Jolla, CA
12/8	Soups and Sauces	Des Moines, IA
12/9	Tools for Training	Harrisburg, PA
12/9	Perfecting Your Culinary Skills	Salt Lake City, UT
12/10	Wine and the Bottom Line	Santa Barbara, CA
12/10	Soups and Sauces	Cheyenne, WY

Seminar Registration

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Title ____________________

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Title ____________________

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One-day seminars	Member*	Non-member
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If you are a small to mid-sized, multiunit operator of restaurants, hotels or fast food outlets, NRA's in-house seminar presentations are ideal for you. "Seminars to Go" is an economical and practical way to motivate your staff by showing you are concerned about their professional growth, not to mention the direct benefits your organization will derive from maintaining a well-trained staff. Certainly one, or perhaps several of NRA's highly respected seminars will meet your training needs. For more information on "Seminars to Go" or on NRA presentations at your conferences and conventions, write or call Eddie O'Hare in the Education Programs Department at 800/424-5156 or 202/638-6100.

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If a picture is worth a thousand words, then each of NRA's training videos is worth an entire shelf of books. NRA's Video Training provides staff-training, immediate employee orientation, basic skills training, consistent training in high turnover jobs, and retraining as necessary. Now available is the Wait Staff Training Series. Specific topics are Suggestive Selling, Teamwork and Service (2 tapes). For more information about Video Training, contact Caren Brinker in the Education Programs Department at (800) 424-5156 or (202) 638-6100.

One of the major advantages that I had in entering the catering field was that the Hermitage Hotel had an established reputation. I didn't have to prove myself. People already knew that the Hermitage produced stunning foods and provided a very high level of service.

My first client . . .

My first client was a real estate acquisitions company. Every year this Nashville company sponsored a dinner at the Hermitage Hotel for staff members who had acquired or sold a million dollars worth of real estate over the past year. In working with the meeting planner on this dinner, I discovered that the company was also sponsoring a gala for staff at its building.

When asked who was going to cater that event, the planner said she had not really nailed it down. I told her I could set up all the food functions. I mentioned the things the Hermitage could provide for her that a free-standing catering operation possibly could not: silver candlelabras, china, silver-plated silverware and linen as well as our distinctive food. She accepted. This was a very easy way for me to jump into catering because the client's offices were only one street over from the Hermitage.

The staff was very supportive of the new catering offshoot. They loved working at the Hermitage, but they were not making as much money as they would have liked because the facility was too small. So they were very glad to expand to off-premises catering. Because there was a great deal of work, I was willing to pay them a dollar more per hour. The gratuity structure was much higher for off premises as well, and we built that into all our contracts.

Although corporate functions are usually more lucrative and logistically easier to plan—many corporate headquarters have kitchens, ice machines, etc.—social events can be profitable, too.

Newspapers can provide leads . . .

Newspapers can provide valuable leads for social events. That's where I found a terrific one. During country music award week, the BMI music publishing rights company throws a big party for all of its songwriters. It is a very big function with 800 to 1200 people attending and a budget of $300,000 or more.

In a newspaper article published after the party in 1984, the senior vice president mentioned that the event had outgrown the space it had in a parking lot. She said she did not know where the event was going to be held next year. I decided to solve that problem for her. I wrote a letter.

I started out by congratulating her on yet another successful awards banquet. Then I offered my services and suggested that she consider holding the event in Legislative Plaza, located directly across from the Hermitage Hotel. Home for the state capitol of Tennessee and its legislative offices, the plaza offers almost unlimited seating potential. It is also beautiful—all marble and granite. I knew that with the type of tents she had been using—ones with vinyl tops—the capitol and the legislative offices would provide a stunning backdrop. So I suggested that the tents be used again.

I also mentioned that the parking facility beneath the plaza could park up to 400 cars and that another lot close by could be leased for additional space.

I knew that the first question that would come to her mind was the safety of her guests. Even though the Hermitage is in a nice area of downtown, two streets over the neighborhood changes; and it's a little rough. So I wanted her to know that I could solve that problem also. I told her that the area is always well secured because it is the gathering place for state officials. I then offered her the hotel for overnight guests and costume changes and suggested that we construct an awning connecting Legislative Plaza to the Union Street entrance of the hotel to be used by guests attending the function. I told her that this walkway could also be secured by uniformed officers.

Finally I got to catering. Hermitage Hotel at this particular time was not a major force in the off-premises catering business in Nashville. But it wanted to be, and I knew that I could make it a major force by landing functions like this one that would generate a tremendous amount of PR. So I announced in the letter that the Hermitage Hotel would also like to handle the catering. I told her about our four-star rating and our track record.

Any other caterer could have done that. But I thought of it, I jumped on it and I got it.

Don't forget openings . . .

New buildings all have openings—another great opportunity for hotel catering. Here, too, hotels can transplant their image and their reputation. As a building reached completion, I would write a letter to the builder and offer my services to plan an opening affair.

I talked about the image the Hermitage Hotel could provide—from white gloved waiters and exquisite four-star food presentations to silver candlelabras. Then I would conclude: "With all the other details you will be attending to during this busy time, I would like to offer the expertise of the Hermitage Hotel to plan your grand opening affair. From setup to cleanup, we will arrange every detail in the style that has earned us our reputation as Nashville's finest hotel and restaurant. I will contact you approximately one month prior to the opening to discuss a grand opening that all of Nasville will be talking about."

That was a very successful sales letter. It said it all. Well, the builders loved it. Many said, "I can't tell you how many times I lay awake at night wondering how I am going to do this. I know nothing about foodservice. I never used a caterer or worked with a caterer." They were very happy to get my letter.

For one affair the entire downtown corporate community was invited to the party. That was tremendous exposure for the Hermitage Hotel. You can be sure every table had a little sign on it that said, "Exclusively catered by the Hermitage Hotel." It really opened a lot of doors for us. ❑

NRA instructor Mark Snyder is President of Concepts in Excellence, a hospitality consulting company in Antioch, TN.

KITCHENS
OUT IN THE OPEN

by Kathy Boyle

Restaurants are opening their kitchens to diners as never before—and customers and staff are loving it.

At El Rio Grande, a lively Tex-Mex restaurant in New York City (172 seats), customers can experience Texas, Mexico and an open kitchen all in one evening. Assisted by friendly border crossers, diners travel between the restaurant's two dining areas—Texas in the North and Mexico in the South—by crossing a "river border" painted down the middle of the kitchen. "When they enter the kitchen from Mexico, chefs and cooks greet them with a hearty 'Hola,' but once they step over the border, it's 'Howdy,'" explains Valerie Geisler, assistant to owners Joyce Steins and Bob Farley. Carrying through on the theme are representative murals painted on both sides of the kitchen and even an old-fashioned signpost showing distances to cities in Mexico and Texas. "Customers love it," says Geisler. "It's a real experience."

Good for business . . .

Although El Rio Grande has given the open kitchen concept an ingenious twist, operators from coast to coast find that cooking on display has increased customer involvement and boosted sales. "The first thing return customers do is drag their friends over to see the kitchen," observes Eileen Weinberg of Carolina in New York, NY, (100 seats), known for its Southern-style cooking. The kitchen is located behind glass in the passageway to the dining room, and it features smoker cooking, wood grills and a spit over an open fire.

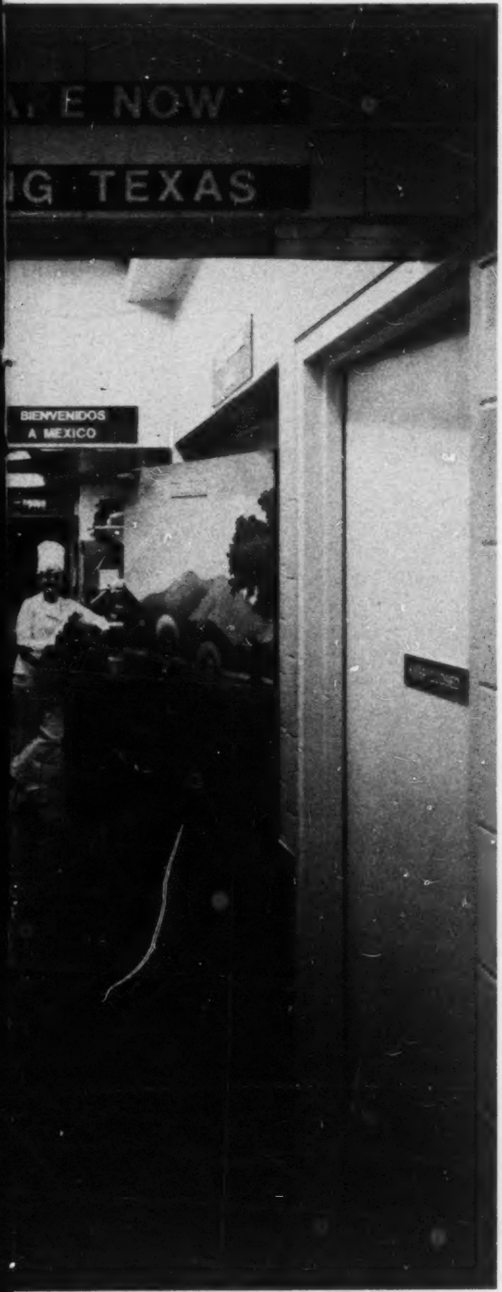
Customers sit in the kitchen at Chianti Cucina.

YOU A
LEAVIN

The kitchen provides a border crossing at El Rio Grande.

At Jillian's Rotisserie in Charlotte, NC, (165 seats) the kitchen is the restaurant's center stage, deliberately planned to create excitement. It is decorated with gleaming white and green tiles and polished brass to draw attention to its rotisseries and brightly flaming mesquite grills. In the adjacent dining area a pianist sets the chef's moves to music.

Even more intimate is the kitchen and informal Italian trattoria Chianti Cucina (Los Angeles, CA). Fifty customers actually sit in the kitchen area which serves not only the Cucina but also its upscale counterpart, Chianti's. Typical of open kitchen restaurants, Chianti Cucina has a lively, informal atmosphere. "It is a happy place, with lots of lighting and lots of noise," explains manager Lino Chini.



Restaurateurs are discovering that the open kitchen setting is attractive to all types of customers—from food fans who love being in on the action, to singles who have something to watch while they are waiting, to families who enjoy the bustle. At the Mad Italian in Atlanta, GA, (five locations; 110 seats each) famous for its high quality sandwiches, many regular lunchtime customers return at night with their families. "The same relaxed feeling the open kitchen creates in the daytime makes for a good family spot at night," notes manager Richard Brown.

Customers are drawn to open kitchens because they enjoy watching chefs at work, but the new arrangement does more than provide a sense of theater. The open kitchen provides instant credibility. It assures diners that the food they are eating is fresh and meticulously prepared. It also speeds up order taking because customers can see what is on the menu. Sometimes seeing chickens on the grill or watching pizza go into an oven can persuade a customer to try a dish.

Good for staff . . .

The staff enjoys the new open kitchen arrangement, too, because it bridges the gap between the dining room and the kitchen. "After spending three years cooking in the basement, I wanted to see daylight," remembers Joyce Goldstein, chef and co-owner of Square One in San Francisco, CA. Today, Goldstein not only has a view of a park but sees her customers as well. "Some restaurants are known for their decor, some for their atmosphere. Here, we are food maniacs and love to share our recipes and the fresh food. Letting the cooks see their customers gives them immediate feedback and creates an energy in the room that is exciting."

Putting kitchen employees in touch with customers is good for staff morale. It brings a lot more recognition. At Chianti Cucina, the chefs interact with the customer, sharing recipes and cooking pointers. At El Rio Grande, kitchen staff can be heard shouting, "Watch out for the cattle," even in the busiest times. "The whole kitchen ceremony gives an extra spirit to the kitchen staff, who in most restaurants never get out to see customers," notes Geisler of El Rio Grande.

Working in a fishbowl may take some getting used to, of course, but Weinberg of Carolina notes that it does not take long before the staff forgets they can be seen. Other operators do note that they have adjusted their hiring techniques to select employees for the grill who have the grace, presence and personal cleanliness required for display cooking.

Some adjustments necessary . . .

One of the riskier aspects of operating an open kitchen is that everything is in plain view: skills as well as spills, mistakes and frustrations. Although they can't function in the same way they would if they were behind the scenes, operators with display kitchens are nonplussed by the change. "We have nothing to hide," says Goldstein of Square One, typical of most operators. "All day long we scrub down. We work with every kind of shellfish and food right in front of the customer."

In fact, some operators note, the open setup helps keep work stations very tidy. "I would say we have the cleanest kitchen in New York," boasts El Rio Grande's Geisler. She is not alone. Weinberg of Carolina, just a few miles away, makes the same claim.

Nonetheless, some operators prefer to save some of the messier tasks for behind the scenes. "We keep the showier part out front," says Brown of the Mad Italian, "but sauce making and tasks that create a lot of heat are reserved for the back kitchen."

At Fedora's, Gilbert/Robinson's (Kansas City, KS) European cafe-style restaurant, a back kitchen is used for soups, stocks and sauces, but everything else is prepared out front—including pizza baking, grilling, sauteing, pasta-making and cooking on rotisseries as well as preparing salads and ice cream.

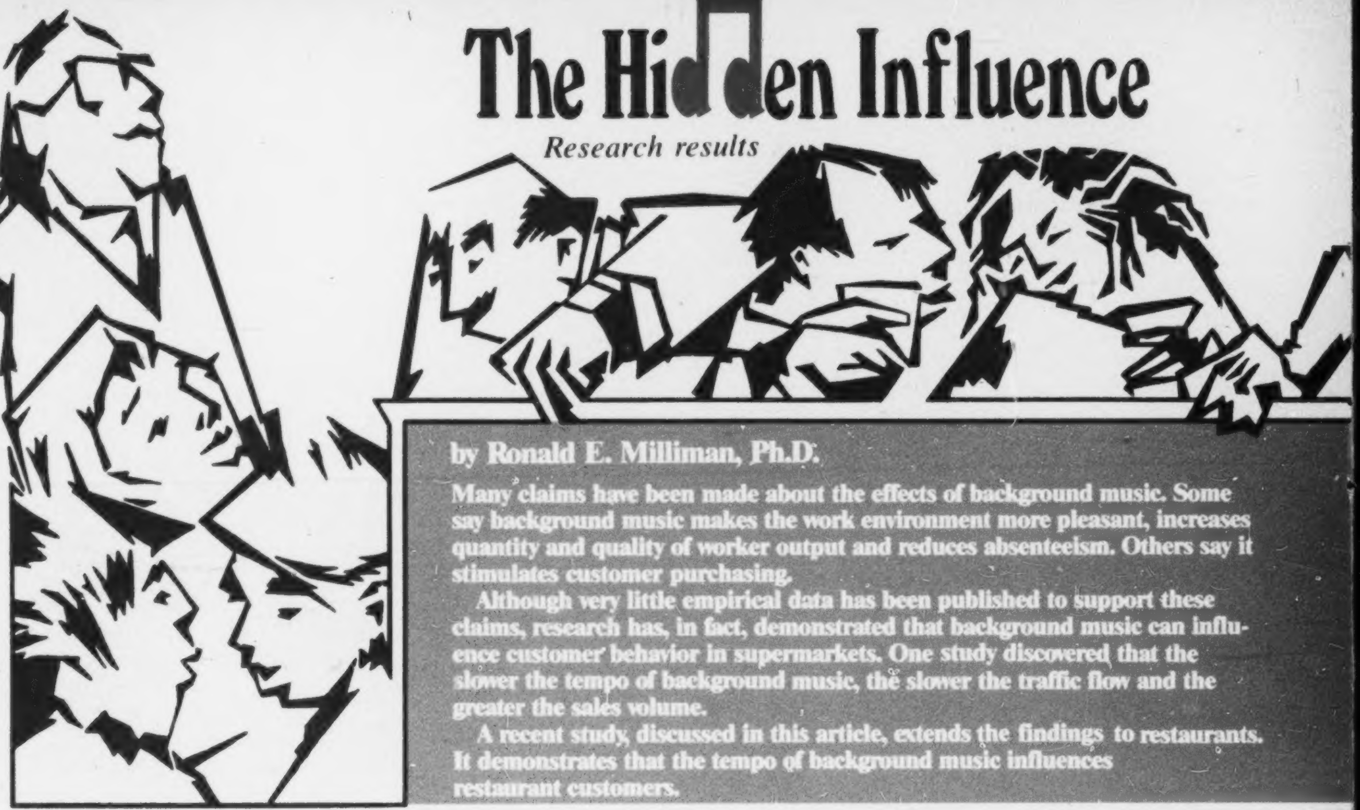
Such activity does require good ventilation. "We spent a great deal buying a sophisticated exhaust system," recalls Weinberg of Carolina.

In sum . . . .

But despite the expense and adjustments, open kitchens continue to be popular with both customers and staff. ❑

The Hidden Influence

Research results



by Ronald E. Milliman, Ph.D.

Many claims have been made about the effects of background music. Some say background music makes the work environment more pleasant, increases quantity and quality of worker output and reduces absenteeism. Others say it stimulates customer purchasing.

Although very little empirical data has been published to support these claims, research has, in fact, demonstrated that background music can influence customer behavior in supermarkets. One study discovered that the slower the tempo of background music, the slower the traffic flow and the greater the sales volume.

A recent study, discussed in this article, extends the findings to restaurants. It demonstrates that the tempo of background music influences restaurant customers.

The owner-manager of a medium-sized, upscale restaurant sponsored an experiment to investigate the effect background music has on his customers, primarily middle-aged people in upper-middle income brackets. Although the restaurant is busy every evening, on Friday and Saturday nights it is packed beyond capacity. Customers are required to wait from 30 minutes to more than an hour before being seated.

Research design . . .

The study was structured to investigate the effects of two independent variables—slow tempo background music and fast tempo background music—upon the behavior of restaurant customers.

The data was collected on 16 Friday and Saturday nights when the restaurant was filled to capacity. All exogenous factors that might have affected the results of the study were kept as constant as possible (such as atmospheric conditions, employee assignments, etc.). As a further precaution, only the restaurant's management knew of the research project, thereby minimizing "observer intervention bias."

Independent variables defined . . .

A pre-test demonstrated that definitions of slow tempo and fast tempo are highly related to the listener's age and other demographic characteristics. Prior to the beginning of the experiment, 227 randomly chosen diners were surveyed in an attempt to define these tempos. Several instrumental pieces with different tempos were played during Friday and Saturday evenings. The subjects were asked, "Do you consider the music that is playing to be slow tempo, fast tempo or in between slow and fast tempo music?"

The response showed that restaurant patrons perceived slow tempo music as having 72 or fewer beats-per-minute (BPM). Similarly, fast tempo music was perceived as having 92 or more BPM. The "in between slow and fast tempo" category was used only to help isolate and refine the definitions of the independent variables.

To gain greater control over the music variables, only instrumental selections were used, sidestepping such issues as the popularity of female versus male vocalists or the familiarity of well-known or popular artists versus lesser-known or less popular ones. The music selected accentuated the rhythm for easy recognition. Further, the music was maintained at a constant level throughout the 16-day study period and was clearly audible from all parts of the restaurant.

Research hypotheses . . .

Slow tempo and fast tempo background music variables were studied to observe the effect the music played would have on

- the number of individuals or groups who left the restaurant before being seated
- the amount of time used by restaurant employees to take, prepare and serve customers' orders
- the amount of time taken by customers to finish their meals and relinquish their tables after they were served
- the dollar amount of food purchased per itemized statement
- the dollar amount of bar purchases per itemized statement
- the estimated gross margin (gross sales minus food and beverage cost) of the restaurant for the 16-day period.

Findings . . .

1. The tempo of the background music clearly affected the patrons'

Dr. Ronald E. Milliman is an associate professor at the College of Business Administration, Western Kentucky University in Bowling Green, KY.

dining speed. Customers eating while the slow tempo music was playing took more time to complete their dinners and leave than did those eating with fast music: 56 minutes compared with 45 minutes.

2. Music tempo clearly influenced waiting time. While the slow tempo music was played, the average waiting time to be seated per group was 47 minutes, compared to a waiting time of 34 minutes while fast tempo background music was played. The difference of 13 minutes is significant and is a result of patrons dining more quickly while listening to fast tempo music.

3. The tempo of the background music had no effect upon the decision to wait for a table. During the experiment, 854 customer groups entered the restaurant while the slow tempo music was playing; 764 of these groups stayed while 90 left before being seated. A total of 714 groups entered the restaurant while music with a fast tempo was playing. Of these, 628 stayed while 86 left before being seated. No important difference was found between the proportions of these groups.

4. The tempo of the background music did not significantly affect the speed with which customers, orders were handled by employees. Once customers were seated, it took an average of 29 minutes for patrons to be served while slow background music was being played, compared to 27 minutes with fast background music. The difference of two minutes proved insignificant.

5. The tempo had no measurable effect on the dollar amount of food ordered. According to itemized statements, the average dollar amount spent on food per customer group while slow tempo background music was playing was $55.81 compared with an average of $55.21 while fast tempo background music played. This difference is virtually insignificant.

6. The music tempo affected bar sales. While slow tempo music was playing, bar charges per customer group totaled $30.47, compared with $21.62 under fast tempo conditions. This difference is significant. The slow tempo background music encouraged customers to drink an average of 3.04 drinks more per customer group.

7. The music tempo influenced estimated gross margins. The gross sales for both food and bar items were recorded for each type of music background, and estimated gross margins were calculated. Management figured its food cost as a percentage of sales at 42 percent and its beverage cost at 23 percent. Using these figures, the estimated average gross margin per itemized statement was $55.82 while slow tempo background music played and $48.62 while fast tempo background music played. The difference of $7.21 per itemized statement or customer group is significant. The estimated total gross margin from groups receiving both treatments was $73,184.48. Hence, if the 628 customer groups who had dined with fast tempo music had instead listened to slow tempo music, the total gross margin would have approximated $77,715.36, or a $4,527.88 increase.

It is important to note that while fast tempo music played customers took significantly less time to finish their dinners, thus increasing table turnover and decreasing waiting time before being seated. In this specific situation, it worked in the management's favor to slow customers down. However, during a lunch-hour rush period, the appropriate emphasis would be upon speed and table turnover. In that case, fast tempo background music might be more appropriate and might have more bearing on gross margins. Therefore, it is important to carefully match the type of background music to the dominant objectives of the business. Failure to do so may produce results that are counterproductive to management's objectives. ❑

A look at the grand prize winners in NRA's 23rd Annual Great Menu Contest

WHAT MAKES A GREAT

Sandwiches
Entrées
LR
THE SUMMERHOUSE
HERBIGS GUM-TREE
SPECIALLY FOR CHILDREN
Welcom
COSTA MESA
Omelett
Parlor

Award-winning menus in NRA's 23rd Annual Great Menu Contest: (clockwise, from far left) Lime Rickey's Restaurants, LTD, Concord, Ontario, Canada, Third Grand Prize; Summerhouse, Hilton International Sydney Airport, Arncliffe, Australia, Check Average over $10; Chaser's Restaurant, Syracuse, NY, Most Imaginative; Midland Hospital Center, Midland, MI, Institutional Foodservice; El Torito Inc., Irvine, CA, Second Grand Prize; Mardeck LTD—munchies menu, Rockville, MD, Merchandising Power; Mamma Ilardo's, Baltimore, MD, First Grand Prize; Costa Mesa—The Omelette Parlor Grand American Fare, Santa Monica, CA, Check Average under $5; Portland Marriott Hotel, Portland, OR, Banquet Catering; and Herbig's Gum Tree, Hilton International Adelaide, Adelaide, S. Australia, Specialty Menu.

MENU GREAT?

JUST KID STUFF
POLAR RELIEF KIT
NEW & IMPROVED
MUNCHIES
NACHOS LOCOS
$2.25
MUCHOS LOCOS
$4.25
IDA SKINS
Shrimpies
SIDES

by Anne Papa

Baltimore, MD-based Mamma Ilardo's Corporation is first grand prize winner in NRA's 23rd Annual Great Menu Contest. Second grand prize honors went to El Torito Restaurants of Irvine, CA, and Lime Rickey's Restaurants Ltd. of Concord, Ontario, Canada, won third grand prize.

Almost 600 menus from around the world were entered in this year's contest. Each menu was evaluated by a team of judges (see sidebar) in terms of imagination, design and merchandising power, and winners were selected in each of nine categories: average per person check under $5; between $5–10; more than $10; specialty; banquet/catering; institutional foodservice; most imaginative; best design and greatest merchandising power. The best overall winners from these categories were then selected as grand prize winners.

Here is a look at the three winning menus, the restaurants they represent and the impressions they made on the judging panel.

Menu Contest Judges

The judges in the 23rd Annual Great Menu Contest were

- **Michael Bartlett,** editor, *Restaurants & Institutions*, Des Plaines, IL;
- **Norma Gray,** senior associate, MDR Associates, Fairfax, VA;
- **Jack Miller,** chairman, Hospitality Restaurant Management and Tourism, St. Louis Community College, St. Louis, MO;
- **Judi Radice,** Author, *Menu Design*, San Francisco, CA;
- **Gregg Rapp,** owner, Menu Workshop, Seattle, WA;
- **Linda Richardson,** publisher, *Dining Magazine*, Chicago, IL;
- **Lawrence T. Ryan,** C.M.C., department head for culinary education, Culinary Institute of America, Hyde Park, NY; and
- **Shelley Williams,** senior art director, *Tables Magazine*, Knoxville, TN.

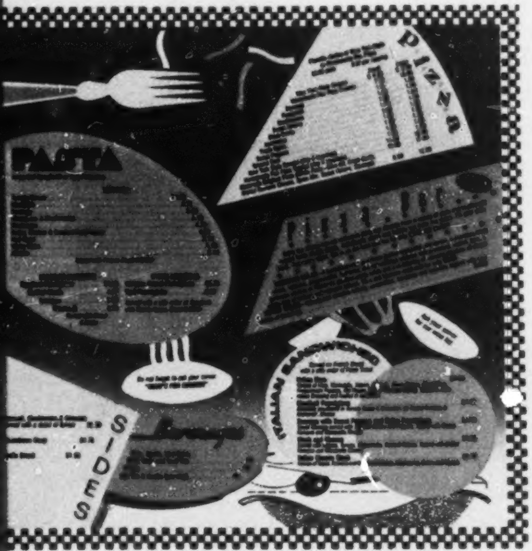
FIRST GRAND PRIZE WINNER

Mamma Ilardo's

Although Mamma Ilardo's Corporation operates eight Mamma Ilardo's units throughout the Baltimore, MD-Washington, DC area, the prize winning menu is used exclusively at the company's only sit-down restaurant, a 140-seat unit in Washington that opened last November. In fact, according to owner Rosario Ilardo, the design of the menu inspired the design of the restaurant.

"We were in the process of developing the restaurant concept when I first met with the menu designers," Ilardo explains. "I gave them free reign, only stipulating that I wanted something totally different."

Something different is what he got. Mamma Ilardo's menu is a square sheet made of transparent acetate. Within the menu's checkerboard border are a variety of celadon green, salmon and gray geometric shapes—circles and triangles, ovals and rectangles. Because the menu is see-through, the shapes give the impression of being suspended in mid air.



But the most engaging quality about Mamma Ilardo's menu is the relationship between design and content. At first glance, the menu's geometric shapes appear to be randomly placed. But closer inspection reveals that each shape represents the menu item it is listing; therefore, pizza selections are listed inside a "pizza wedge" triangle while pasta dishes are listed on a platter-shaped oval that is connected to a fork by several "pasta" strands. A long, rectangular shape contains a description of the pizza bar, and side orders are listed—where else?—in a shape that juts out from the side of the menu.

Ilardo was so impressed with his new menu that he decided to integrate its design into the overall design of the restaurant. Foregoing the traditional red-and-white-checked-tablecloth look of the typical Italian trattoria, Mamma Ilardo's instead emphasizes the color scheme and geometric shapes in its menu. Most notably, the restaurant's tabletops are made of vinyl tiles, framed in black, which duplicate the menu's shapes and colors. And along the back wall of the restaurant, the menu's graphics are repeated yet again—only they are enlarged to dominate a 25-foot stretch of wall space.

What the judges said

In evaluating Mamma Ilardo's menu, the Great Menu Contest judges unanimously agreed that it epitomizes the most basic, yet essential, quality a menu must possess. It accurately reflects the concept of the restaurant in which it is used.

Norma Gray: "This menu promises a dining-out experience that is out of the ordinary. Without even setting foot in the restaurant, you know to expect fun, imaginative food in a creative setting."

Linda Richardson: "By depicting the various menu items through their shapes, this menu effectively sells the concept of food as entertainment."

Michael Bartlett: "Mamma Ilardo's has taken a familiar restaurant concept and revived it by adding flair. You wonder, if they took such a creative departure with the menu, what must the food be like?"

Judi Radice was particulary impressed with the menu's graphics. "First and foremost, a menu must be readable. The type should not get buried in the menu. Although a great deal is going on with this menu, it is still totally legible, primarily because of the variance in typefaces."

Jack Miller: "Mamma Ilardo's menu obeys the primary laws of advertising. The novel location, sequence and description of items combine to merchandise the restaurant's product. The entire concept of Mamma Ilardo's is sold by its menu."

SECOND GRAND PRIZE WINNER

El Torito

Walk into any of the the 192 El Torito lounges (avg. 100 seats) across the country on an early evening or weekend night and you will find a crowd of people laughing, eating, drinking and mingling. Although a Mexican theme is evident, the main emphasis in the decor, atmosphere and service is to promote a good time in a fun setting.

That is why the Polar Relief Kit specialty drink menu is right at home in El Torito's lounges. "The Mexican motif is not as strong in the lounges as in the dining rooms," explains Tom Saiza, vice president of marketing for El Torito. "We can have a little bit more fun with menus designed for lounge use."

And that is exactly what the Polar Relief Kit menu is—fun. The four-

POLAR RELIEF KIT

CURES FOR THE WINTER COLD
MEXICAN COFFEE
AMOR LATINO
LATIN LEPRECHAUN
CAFE NAVIDAD
HOT APPLE PIE

color, die-cut menu is designed as a first aid kit, which opens up to reveal El Torito's own special brand of "first aid"—a line of warm winter specialty drinks. From the description of items to the artwork's vivid use of color, the entire menu plays on the spirited theme of warm, toasty drinks as the perfect panacea for the bitter winter cold.

The kit is "filled," for instance, with the essentials found in any medicine cabinet. But the colorful pills, tablets and bandages are actually no more than a backdrop for the focal point of the menu—the tantalizing drink descriptions. Names such as "Hot Spot," "Antifreeze" and "Lip Mitten" suggest that El Torito's drinks can cure what's ailing better than any pill. An additional line of coffee drinks is listed under the playful heading, "Cures for the Common Cold."

El Torito's Polar Relief Kit is only used during the winter months in areas that are subject to cold weather. According to Saiza, customers this past winter were delighted with the menu and were encouraged to try the specialty drink items.

What the judges said

El Torito's Polar Relief Kit impressed the Great Menu Contest judges because it accomplishes its mission.

Michael Bartlett: "In terms of form following function, this menu is right on the money. It is perfect for a lounge or bar setting. It's not pretentious. It's just a lot of fun."

Jack Miller: "A customer who walks into El Torito and sits down can't help but pick this menu up. It demands to be looked at. And once the customer picks it up, he's that much closer to a purchase. Suddenly, an item the customer may not have even been considering seems a lot more appealing."

Shelley Williams was delighted with the whimsical copy. "Even the title, 'Polar Relief Kit,' is a cut above the simpler 'First Aid Kit. Obvious puns are tiresome, but clever puns—words that make you think twice—are attention-getting."

Gregg Rapp points out that "although the die-cutting and four-color process are expensive, for larger operations, this menu is a classic example of how to maximize resources and creativity to produce a dynamite merchandising tool."

THIRD GRAND PRIZE WINNER

Lime Rickey's

Lime Rickey's is a diner. It is not, however, a recreation of the nostalgic diners of the 1950s. "Many elements of the typical 1950s diner can be found at Lime Rickey's. But we've taken the concept and upgraded it to contemporary standards," explains owner Mark Bromberg. "I guess you could say we are a diner of the 1980s."

The influence of both decades is easily recognized in the 160-seat restaurant's decor. Old-style turquoise vinyl banquettes and chrome-rimmed tables are offset by contemporary terrazzo floors. The jukeboxes at each table are reminiscent of days gone by—but they play contemporary music. And the large soda fountain, the mainstay of the 1950s diner, is definitely a 1980s model.

Nowhere do the old and new come together as effectively as in Lime Rickey's menu. The oversized (8" × 18¾") three-panelled menu, with its bold sweeps of color amid stark white space, is clean and contemporary. Yet many of the items described in tantalizing detail, such as "diner-style" macaroni and cheese, chips'n'gravy and open-faced turkey sandwiches, are right out of the past. The sketch of a pony-tailed waitress balancing a tray with one white-gloved hand says the 1950s, but the offer of steamed, seasonal vegetables with entrees as a substitute for french fries is definitely a trend of the nutrition-conscious 1980s.

And Lime Rickey's ice cream desserts, elaborately described on a back panel all to themselves, reflect both eras, with items such as "Tin Roof" and "Drug Store Sundaes" listed side by side with contemporary gourmet toppings, such as crumbled cookies and granola.

According to Bromberg, Lime Rickey's customers are overwhelmed by the menu. "We offer such a variety, it's sometimes hard for them to know where to begin," he says. "And of course, they've always got to leave room for some ice cream."

What the judges said

According to the Great Menu Contest judges, Lime Rickey's menu has mastered the art of suggestive selling.

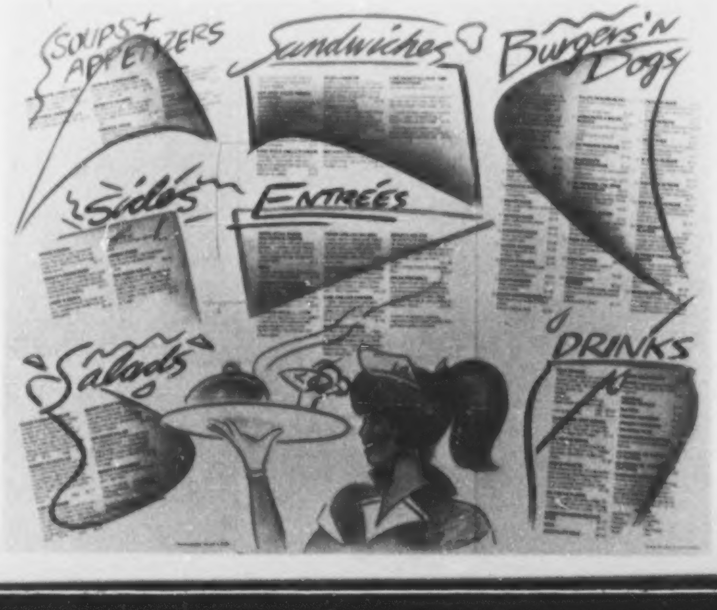
Shelley Williams: "One look at this menu and I want to eat ice cream simply because of the artwork. By the time I read the item descriptions, I am literally tasting the food in my mouth."

Norma Gray: "The descriptions of each item are direct and to the point, which makes you crave the food even more. For instance, 'Milk'n'Cookies' is described as 'an ice-cold glass of milk and a handful of Oreos.' What could be more basic—yet what could be more tempting?"

Michael Bartlett was impressed by the size of the menu. "Imagine four people sitting in a booth, not being able to see each other because the menus are so big. There's something fun about it; it blocks out distractions and totally involves you in the menu."

Judi Radice: "It is nice to see a menu that breaks out of the 8½ by 11-inch mold. Lime Rickey's recognizes that a menu doesn't have to be conventional to work."

Linda Richardson: "This menu sets the mood for both the food and the atmosphere at Lime Rickey's. You know you're in for a good time." ❑



TECHNICAL SERVICES

by Robert E. Harrington

Preventing bacterial growth

Part II of a four-part series

Health departments are gearing up to implement a new inspection program that emphasizes temperature control of potentially hazardous foods throughout the preparation schedule. This series introduces a streamlined version of that program called SAFE (Sanitary Assessment of Food Environment), which can protect your business against an outbreak of foodborne disease by helping you identify, control and monitor the critical points in your food handling and preparation.

You should begin your SAFE survey by reviewing your menu and recipes so you can concentrate on foods that have a greater risk of bacterial contamination. Although a few species can survive in extreme conditions, most bacteria require specific amounts of food, moisture, slightly acid pH, oxygen and warmth. You must consider these factors when you set up your critical control points.

Food: Pathogenic bacteria can grow in just about any food humans can digest, but they are particularly fond of protein foods, such as meats, poultry, seafoods, eggs and dairy products as well as high protein vegetables, such as beans, and cooked cereal grains, such as rice.

Many high-protein foods are naturally contaminated in their raw state so establish separate areas to store and handle raw and cooked products. If cooked and raw products are handled on the same surface, cross contamination can transfer not just one cell but several hundred thousand bacteria.

The bacteria, however, need time to "rest" and adapt to their new environment. So for a good period of time there may be no growth (less than one hour or several days, depending on the bacteria, the food and the temperature). This no-growth period is called "lag phase," and it is at this point that you can best control bacterial growth *before it starts!* When bacteria are allowed to grow, they do so geometrically, with each cell division doubling the population—sometimes as rapidly as every 20 minutes.

Because people all carry their own personal load of bacteria as well, your SAFE program should emphasize personal hygiene, especially frequent and thorough

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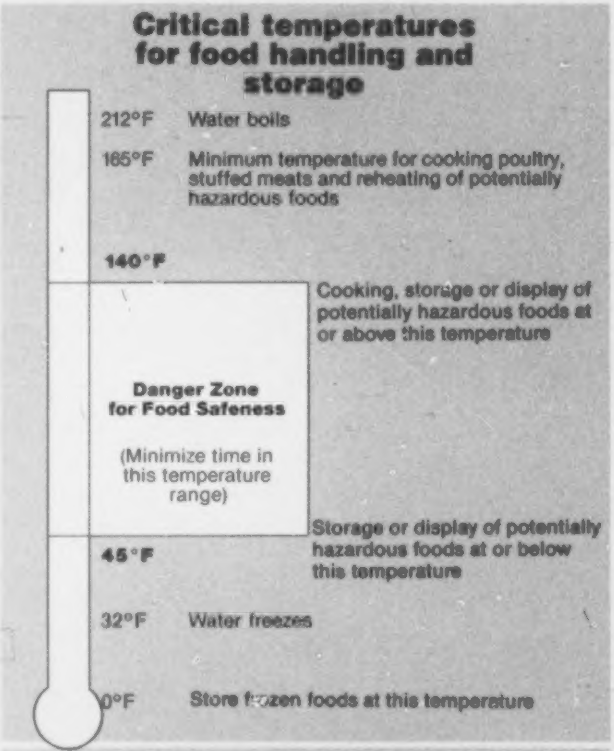
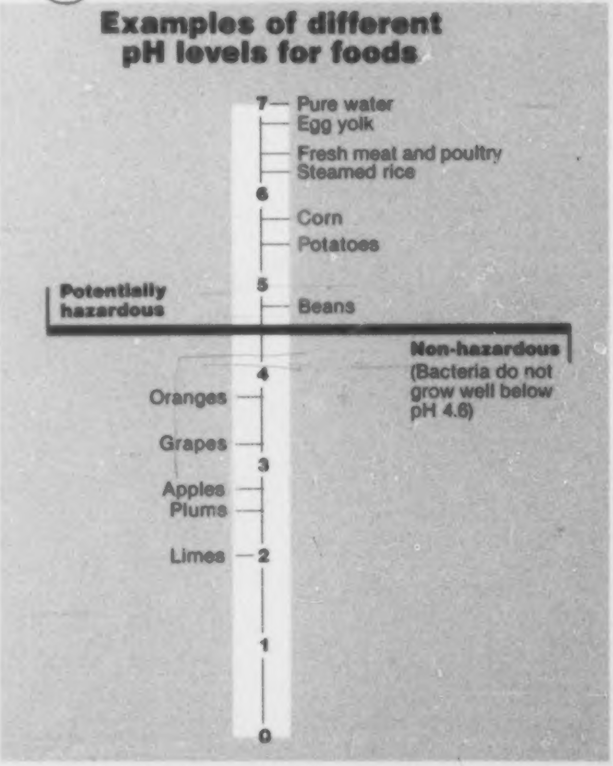
Robert E. Harrington is assistant director of technical services and safety for the National Restaurant Association.



Critical temperatures for food handling and storage

212°F Water boils
165°F Minimum temperature for cooking poultry, stuffed meats and reheating of potentially hazardous foods
140°F
Cooking, storage or display of potentially hazardous foods at or above this temperature
Danger Zone for Food Safeness
(Minimize time in this temperature range)
Storage or display of potentially hazardous foods at or below this temperature
45°F
32°F Water freezes
0°F Store frozen foods at this temperature



Examples of different pH levels for foods

handwashing whenever employees handle different food products.

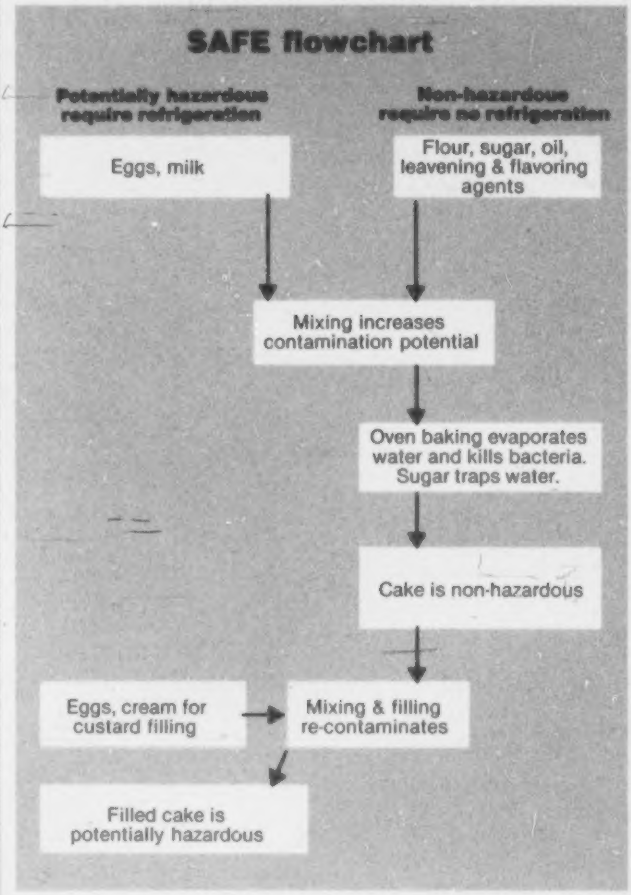
Moisture: In the presence of water, most foods will support bacterial growth. Bacteria need free water to dissolve and digest food. For example, dried milk powder will not support bacterial growth until it is reconstituted with water. Salt or sugar can inhibit bacterial growth by "trapping" the available water, as in salt-cured meats or sugared fruit preserves. However, do not attempt "do it yourself" preservation because water activity can vary greatly with other factors.

Acidity: Foods with a pH above 4.6 will support bacteria growth and require constant temperature control. PH is a measure of acidity and alkalinity. Seven is neutral, above seven is alkaline, and below seven is acidic. Bacterial growth is stopped or inhibited in strongly acidic foods, such as citrus fruits or vinegar. Do not count on making foods safe just by adding acid because the pH balance is a delicate one.

Oxygen: Most disease bacteria can grow either with or without free oxygen. Some, such as the bacteria which cause botulism, grow only in the absence of oxygen, as in a vacuum-sealed jar or in the center of a deep pot of food. Therefore, to be SAFE, only use commercially canned food products and cool food rapidly in shallow pans. If you suspect that a canned product is spoiled, notify the distributor and your local health department or discard the product without opening it! Botulism toxin is a very dangerous poison, and even a small taste can be fatal.

Unless you have a professional food technologist and a well-equipped laboratory at your disposal, there is not much that can be done in a restaurant kitchen to alter nutrients, pH, water and oxygen. But, you do have control over the final limitation on bacterial growth, and that is the heart of your SAFE program.

SAFE flowchart


Potentially hazardous require refrigeration
Non-hazardous require no refrigeration
Eggs, milk
Flour, sugar, oil, leavening & flavoring agents
Mixing increases contamination potential
Oven baking evaporates water and kills bacteria. Sugar traps water.
Cake is non-hazardous
Eggs, cream for custard filling
Mixing & filling re-contaminates
Filled cake is potentially hazardous

Best way to prevent bacterial growth . . .

Warmth: The best way to prevent bacterial growth in potentially hazardous foods is to limit the *time* that foods spend at growth *temperatures*. As with other SAFE processes, you are probably already following these common-sense procedures: Refrigerating food below 45°F to slow bacterial growth, holding hot food above 140°F to virtually stop growth and heating food above 165°F to kill most pathogens.

When heating or cooling foods, you must move them through the danger zone between 45°F and 140°F as rapidly as possible. Use shallow pans to promote cooling to 45°F within four hours and, heat foods rapidly (steam tables and warmers do not heat rapidly). When re-heating foods, be sure to take them to 165°F in the center.

Multiple cycles of heating, cooling and reheating will result in bacterial growth, so limit exposures to the danger zone. Also, avoid preparing foods long before they are to be served as this adds to holding problems.

Some foods may change from potentially hazardous to stable and back again. For example, although the milk and eggs in a cake batter are potentially hazardous, mixing with other ingredients and baking renders them stable. But, if a

"Potentially hazardous" defined

The FDA Model Foodservice Sanitation Ordinance (and most state and local codes) defines potentially hazardous foods" as

". . . any food that consists in whole or in part of milk or milk products, eggs, meats, poultry, fish, shellfish, edible crustacea (shrimp, lobster, crab, etc.) or other ingredients, including synthetic ingredients, in a form capable of supporting rapid and progressive growth of infectious or toxigenic microorganisms. The term does not include clean, whole, uncracked, odor-free shell eggs, or foods which have a pH level of 4.6 or below or a water activity value of .85 or less." (Eggs are potentially hazardous once the shell has been broken.) These foods must be stored below 45°F or above 140°F, and should be cooked to an internal temperature that will kill any pathogens.

Investigation of some recent outbreaks of food poisoning has also shown that some seemingly innocuous foods can support microbial growth: sprouts, cooked rice, cooked potatoes and lightly sauteed onions, among others. If a food has a natural "skin," such as a vegetable, that skin protects the food against entry of bacteria. Once the skin is broken or damaged by preparation and cooking, the food is potentially hazardous and must be stored below 45°F or above 140°F.

Also, commercially canned products, such as sauces, stews, gravies, etc., become potentially hazardous once their containers have been opened. With virtually all foods, refrigeration slows bacterial growth and oxidation, thus increasing shelf life and safety. Very few items can be damaged by refrigeration.

custard filling is added, the finished cake is again potentially hazardous and must be refrigerated to maintain safety and quality.

When you plan your SAFE survey, you must consider the entire handling process, step-by-step. Your goal is to determine those areas where foods might be contaminated or where bacteria might survive and grow, and to establish preventative practices at these points. For the first one or two surveys, utilize flowcharts, noting times and temperatures to help you keep things straight. Later you can simply monitor conditions against your own production schedule and standards.

To recap . . .

To reduce the risk of foodborne disease, pay special attention to

1. *potentially hazardous foods*—moist, high protein foods that are neutral or mildly acidic.
2. *multiple handling steps*. The more preparation steps a food goes through, the greater its exposure to contamination. Be particularly alert for cross-contamination from one class of foods to another, such as from raw to cooked.
3. *high-volume products*. The larger the amount you prepare and serve, the larger the number of people at risk.
4. *temperature changes*. Whenever a food is removed from the refrigerator, heated, cooled, or reheated, it passes into the bacterial incubation "danger zone." Minimize the time foods spend in this zone (45°F to 140°F), store foods out of this zone and heat potentially hazardous foods to 165° to kill harmful bacteria.

Next month: *Major foodborne diseases and their characteristics.*

Fisher's Law #72

To tell the truth

Over the years, I have read a number of performance appraisals and letters of recommendation written on behalf of people who were being considered for a position, promotion, award or honor. In many instances, I later had an opportunity to observe the person, and I reflected on the descriptive phrases that had been used in the laudatory documents. Here are some examples of the written descriptions and the truthful meaning behind them. I will use the masculine pronoun for ease of expression, but the statements are equally applicable to women.

1. **He has a strong sense of pride in his work.**
   (He can't tolerate criticism.)
2. **He has the ability to see the big picture.**
   (He spends too much time reading the newspaper.)
3. **He is detail-conscious.**
   (He's a nitpicker.)
4. **He possesses leadership ability.**
   (He does what he is told to do.)
5. **He possesses a keen intellect.**
   (He has an obnoxiously superior attitude.)
6. **He possesses excellent supervisory skills.**
   (His subordinates have not yet rebelled.)
7. **He is highly creative.**
   (He has a lot of dumb ideas.)
8. **He gets along with everyone.**
   (He never takes a stand on important issues.)
9. **He follows through on his responsibilities.**
   (He can't or won't delegate.)
10. **He is a stabilizing influence on the group.**
    (He rules with an iron fist.)
11. **He is exceptionally loyal.**
    (We're paying him too much money.)
12. **He is a sincere person.**
    (He's constantly bothering the boss.)
13. **He's an exceptionally dedicated employee.**
    (He has an unhappy home life.)
14. **He exudes confidence in whatever he undertakes.**
    (He's an egotistical son-of-a-gun.)
15. **He is full of ambition.**
    (Don't turn your back when he's around.)
16. **He's goal-oriented.**
    (He's always trying to scalp his hockey tickets.)
17. **He can cut through to the essential issue at hand.**
    (He rides roughshod over everybody.)
18. **He possesses good organizational skills.**
    (He always "goes by the book.")
19. **He has enormous character and integrity.**
    (He hasn't been caught yet.)
20. **He possesses a keen sense of humor.**
    (Watch out, he's a practical joker.)
21. **He is an excellent motivator.**
    (He threatens, cajoles and disciplines subordinates.)
22. **He is performance-minded.**
    (He's always trying to upstage others.)
23. **He is very articulate.**
    (He talks too much and writes long memos.)
24. **He possesses a high degree of professionalism.**
    (He's very good at playing politics.)
25. **He evidences maturity of judgment.**
    (He knows when to say "yes.")
26. **He looks at things objectively.**
    (He's heartless and bloodless.)
27. **He possesses high standards.**
    (He has a "holier-than-thou" attitude.)
28. **He anticipates what needs to be done.**
    (He's made some lucky guesses.)
29. **He is appropriately discrete.**
    (He won't talk unless you make it worth his while.)
30. **He possesses good planning skills.**
    (He always connects his vacation days with paid holidays.)
31. **He's control-minded.**
    (Boy, is he ever a bureaucrat.)
32. **He is very analytical.**
    (He looks at everything in bits and pieces.)
33. **He goes above and beyond what's expected.**
    (Our expectations are too low.)
34. **He's highly aggressive.**
    (This guy is really conceited and obtrusive.)
35. **He has great potential.**
    (If we're stuck for somebody, he's the least worst of all the choices.)

Fisher's Law #72. When assessing people, go with your instincts and not with what others say.

THE BOARD ROOM

Japanese Prime Minister at Evans Farm Inn

NRA Board Member Ralph Evans recently got a taste of global diplomacy when Japanese Prime Minister Yasuhiro Nakasone, just back from a Camp David meeting with President Reagan, accompanied by nearly 100 others visited the sprawling Evans Farm Inn in McLean, VA, for a typical American dinner.

For Evans and his wife Maria the evening proved far from typical. The prime minister's entourage included security people from the State Department, the Secret Service, the Fairfax County Police, Japanese security, a bomb squad, Dobermans and marksmen on the roof.

The bill of fare, though simple compared to some requested of Evans, was several weeks in the making—the result of successive sampling visits by Japanese Embassy personnel and at least one trip to Japan for final approval. Evans reports that the party dined on soup, salad, roast duckling with orange sauce, wild rice, green beans with toasted almonds and lemon sorbet, accompanied by California wine and American beer.

The evening was a memorable one for Evans, who formerly served a term on the board of the Japan Foodservice Association.

Japanese Prime Minister Nakasone, right, is welcomed by Marie and Ralph Evans, center, and Hubert Roetherdt, general manager, left, to the Evans Farm Inn in McLean VA.

Balestreri carries NRA banner far and wide

"From California to the New York island, from the Redwood forest to the Gulf Stream waters," were words popularized by the folk group Peter, Paul and Mary, but just a quick glance at NRA president Ted Balestreri's schedule over the past few months suggests that the singers could just as easily have been detailing the travels of an NRA president.

Since the beginning of the year, Balestreri's duties as president of the foodservice industry's leading trade association have taken him to no less than 11 states and the District of Columbia. Often, he responds to a last-minute call for an appearance by the media. But even more frequently, he represents the association at key regional and state industry forums, reinforcing the goodwill between NRA and the nation's state restaurant associations that serve as the infrastructure of the foodservice industry's grassroots lobbying effort. *—Dorothy Dee*

Hasslocher discusses business meal issue

Incoming NRA President G. "Jim" Hasslocher, center, meets with Sen. Lloyd Bentsen (D-TX), left, to discuss business meal legislation.

A toast to NRA Wine Classic founders

NRA President Ted Balestreri and his partner Bert Cutino (Restaurant Central, Monterey, CA) were instrumental in creating NRA's Wine Classic, held for the first time during last year's NRA Show. This year, the competition will feature Sauvingnon Blanc, Seyval Blanc and two kinds of Zinfandel—all produced in America and available for commercial sale. Don't miss the judging in the Chicago Room at McCormick Place on Monday and Tuesday, May 19 and 20.

Working meals continue to be good business

Many business transactions are inked over restaurant meals. This article spotlights those transactions.

A recent Gallup survey conducted for NRA revealed that more than seven out of 10 (73.6 percent) business executives surveyed said that business meals were either very important or somewhat important to their marketing efforts. A mere 10.5 percent believed that business meals were unimportant to their business marketing plans, and only 3.1 percent said that business meals were very unimportant.

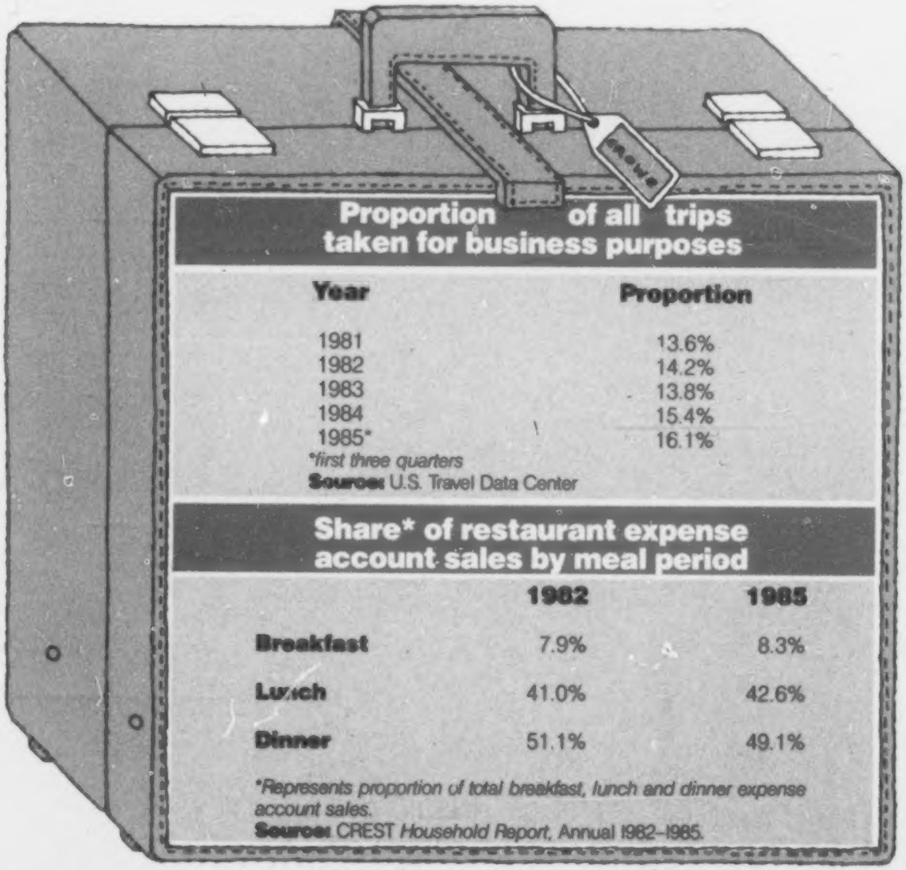
According to the U.S. Travel Data Center, many of these meals occur on business trips. The number of business trips taken in the first nine months of 1985 totaled 131.1 million, up 21.6 percent over the same period in 1984. In comparison, total trips taken for all purposes advanced a lower 7.3 percent. The proportion of trips for business grew from 13.6 percent in 1981 to 16.1 percent in 1985.

Who is the business traveler? . . .

Most business people who travel are employed as managers, administrators and sales representatives. The majority, six out of 10, are between the ages of 35 and 64. However, approximately one-fourth are younger, between the ages of 25 to 34.

Most business travelers come from upper-income households. More than half are from households with incomes above $30,000, and an additional 13 percent are from households with annual incomes between $20,000 and $30,000.

The average business trip is slightly more than four nights away from home. It averages 1,200 miles.



Proportion of all trips taken for business purposes

Year	Proportion
1981	13.6%
1982	14.2%
1983	13.8%
1984	15.4%
1985*	16.1%

*first three quarters

Source: U.S. Travel Data Center

Share* of restaurant expense account sales by meal period

	1982	1985
Breakfast	7.9%	8.3%
Lunch	41.0%	42.6%
Dinner	51.1%	49.1%

*Represents proportion of total breakfast, lunch and dinner expense account sales.

Source: CREST *Household Report*, Annual 1982–1985.

Six out of 10 travel by car, which means they may look for eating places that offer quick, efficient service and good food as they travel to and from their business destination. Four out of 10 travel by air.

Business travelers tend to travel alone, and many look for restaurants that accommodate the single diner.

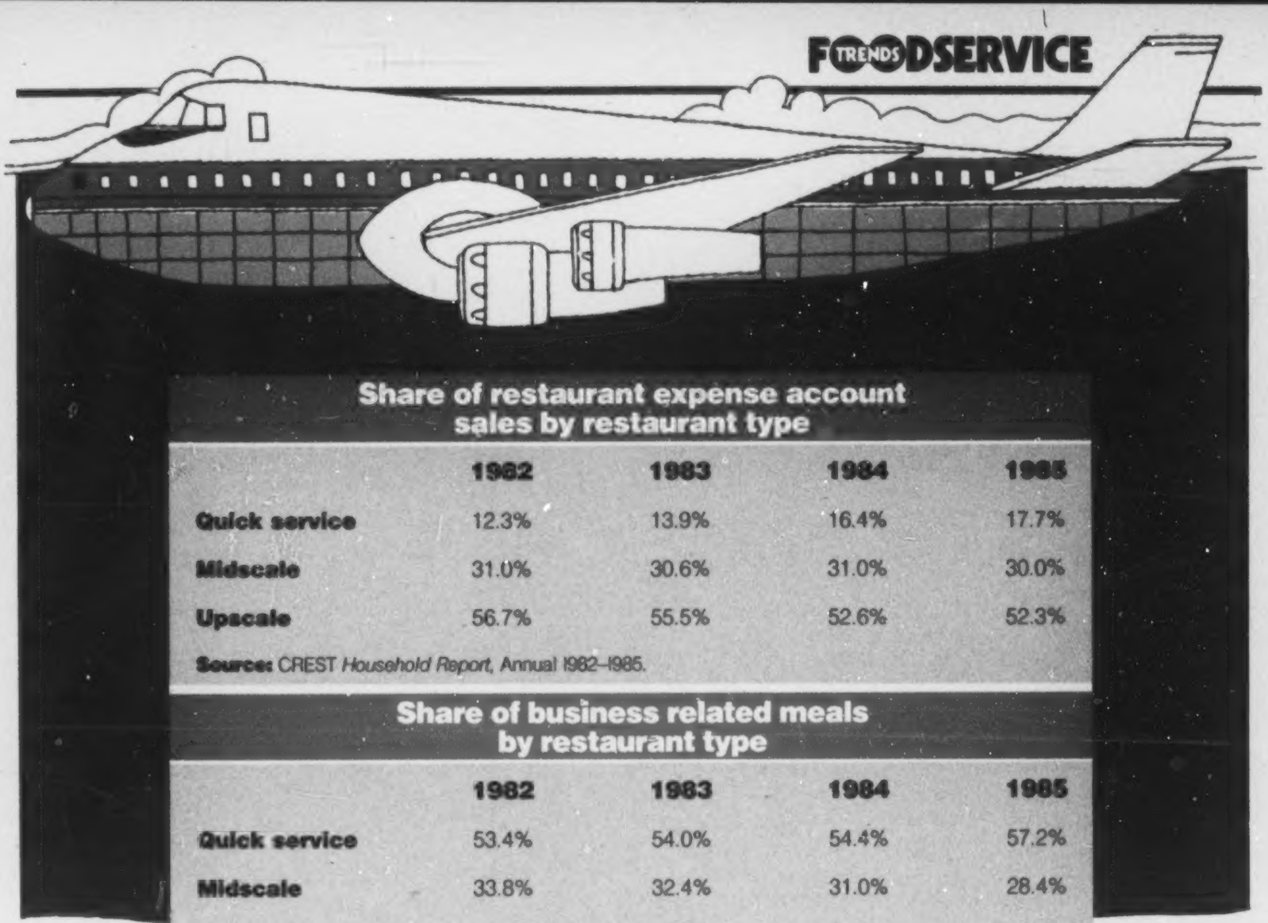
Two out of three business travelers stay at a hotel or motel when they are away from home.

According to CREST data, meals after business activity, including expense account visits and restaurant meals paid for by the business person, take place at all types of restaurants and occur in proportions that parallel the respective shares of overall restaurant traffic. For example, despite the smaller proportion of all quick service occasions involving business related-meals, in 1985 this segment accounted for a whopping 57.2 percent of all eating occasions following business related activity. Midscale restaurants accounted for almost three out of 10 (28.4 percent) business related meals, and upscale restaurants represented 14.4 percent of the meals following a business related activity.

Between 1982 and 1985, the evening meal recorded the strongest increase in business related meal occasions, up 7.4 percent. Business related breakfasts, which are becoming increasingly important, grew 5.7 percent, and lunch posted the smallest increase in business related meals during this time—up 3.7 percent.

CREST data confirms growth . . .

Expense account meal sales are on the rise. According to CREST'S Household Report, between



Share of restaurant expense account sales by restaurant type

	1982	1983	1984	1985
Quick service	12.3%	13.9%	16.4%	17.7%
Midscale	31.0%	30.6%	31.0%	30.0%
Upscale	56.7%	55.5%	52.6%	52.3%

Source: CREST *Household Report*, Annual 1982–1985.

Share of business related meals by restaurant type

	1982	1983	1984	1985
Quick service	53.4%	54.0%	54.4%	57.2%
Midscale	33.8%	32.4%	31.0%	28.4%
Upscale	12.8%	13.6%	14.6%	14.4%

Source: CREST *Household Report*, Annual 1982–1985.

1982 and 1985 expense account meal sales for both traveling executives and non-travel business entertainment rose 28.6 percent*. Much of this gain is the result of impressive growth in expense account sales at ethnic restaurants, and other specialty restaurants, including fish/seafood places and barbeque restaurants.

Not surprisingly, upscale restaurants commanded the largest share of expense account sales dollars in 1985—52.3 percent, down slightly from 1982's 56.7 percent. Upscale hotel restaurants are especially popular with business travelers.

Midscale restaurants accounted for about one-third (30.0 percent) of total expense account sales in 1985, slightly less than the 31.0 percent share enjoyed by this segment in 1982. Midscale specialty restaurants, including Mexican, Italian and Asian establishments, are popular with business people.

The proportion of expense account meal sales at quick service restaurants has expanded from 12.3 percent in 1982 to 17.7 percent in 1985. One reason for this increase may be that fast food restaurants, by expanding recently into office buildings, airport locations and hotel sites, are making it more convenient for the business traveler to stop in for a bite. Quick service Mexican, Asian and sandwich restaurants are most likely to capture business customers.

Expense account sales by meal period . . .

Dinner accounts for the largest proportion of total expense account meal sales, reflecting the larger average check size at dinner. In 1985, 49.1 percent of expense account sales were at the evening meal. This figure is down slightly from 1982's 51.1 percent share.

Breakfast and lunch are gaining greater shares of the expense account dollar. Lunch represented a significant share (42.6 percent) of expense account restaurant sales in 1985, up from 41.0 percent in 1982. Breakfast, which accounted for 7.9 percent of all expense account meal sales in 1982, represented 8.3 percent of restaurant expense account sales in 1985.

Appealing to the business person . . .

According to NRA's *Consumer Restaurant Behavior: A View Based on Occasion Segmentation*, those dining out for business purposes expect the restaurant to facilitate the meeting rather than to be the focus of the event. They expect restaurants to reflect the same professionalism that is exhibited at corporate offices. This usually means a formal but relaxing environment where staff is attentive but not intrusive.

—Sallie Adams

**Readers are reminded that CREST data understate expense account meal sales and the number of business meal occasions. The reason for this understatement is that diary panelists who are reimbursed for their meal expenditures while traveling on business or when entertaining clients may neglect to record the occasion because they personally did not pay for the meal.*

Dropping gas prices fuel travel plans

During the past four months the price of crude oil has fallen nearly 70 percent, from more than $30 a barrel in November to a low of about $10 in early April. This shift should boost travel this summer.

The recent drop in gasoline prices is good news to the restaurant industry, especially with the beginning of the vacation season now upon us. The lower prices for gasoline will encourage more travel, particularly this summer. The American Automobile Association (AAA) reports that the price of gas will be a factor as consumers plan their summer trips.

The AAA expects that this year's vacationers will travel farther and stay longer than in years past. Already the retail price of a gallon of regular gas is below one dollar in all parts of the country, and the price should drop further as summer approaches.

The falling price of petroleum will put more money into consumer pockets.

Expenditures for energy—gasoline, heating oil, natural gas and electricity—account for 7.0 percent of all consumer spending. As the costs of these products drop, the public will be left with more disposable income to spend on such things as restaurant meals and snacks. Indirect consequences of the decline in oil prices will also benefit the industry. These include lower inflation, declining interest rates and continued economic growth and high employment.

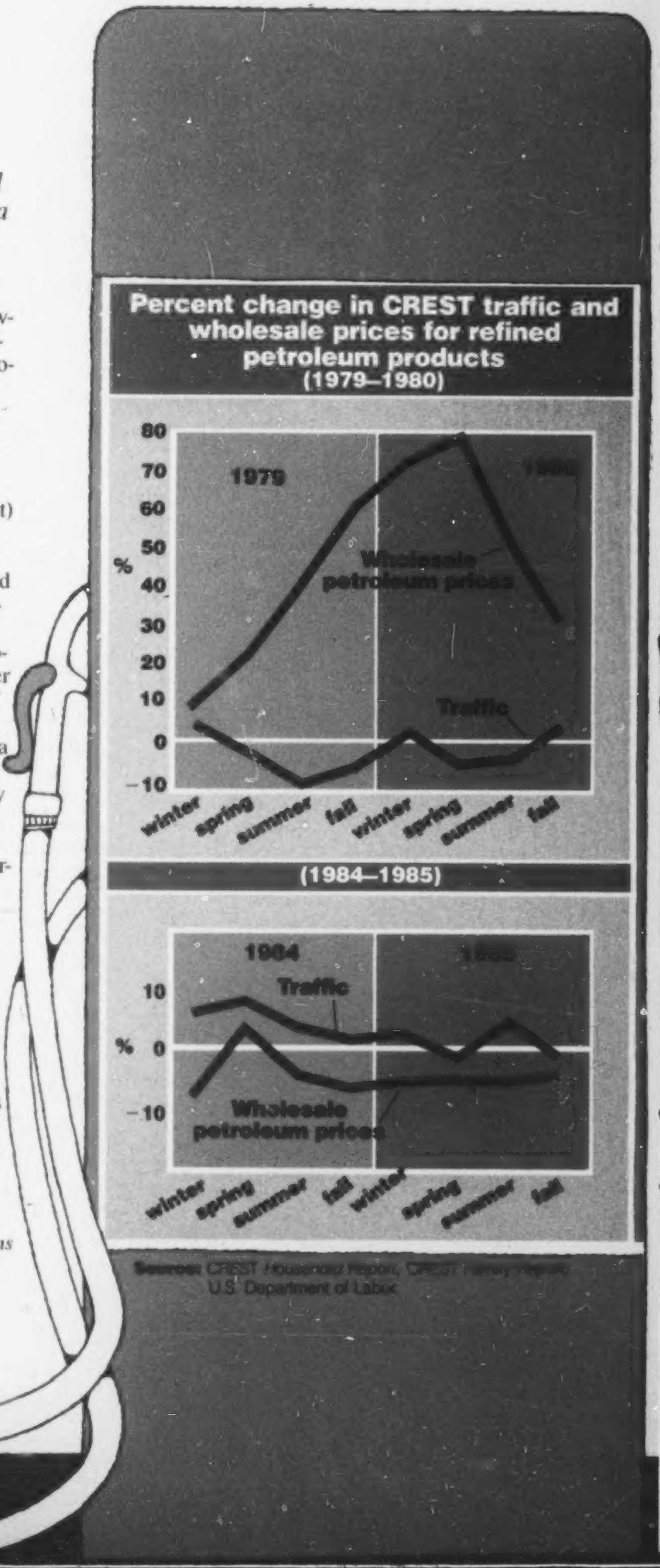
Vacation intentions high . . .

Nearly half (47.2 percent) of the consumers interviewed by the Conference Board in February reported that they plan to take a vacation in the next six months. Most of these people plan to travel to another state and will get to their destination by car. Many others may decide to take a trip this summer on the spur of the moment as they watch gasoline prices and airline fares continue to drop. In comparison, in early 1979—when the nation was faced with rising gasoline prices—only 39 percent said they were planning a summer vacation.

Outlook bright . . .

Summer traditionally marks the peak demand period for restaurant meals and snacks, which, combined with the bright outlook for travel and spending, bodes well for the restaurant industry.

—Sallie Adams



Percent change in CREST traffic and wholesale prices for refined petroleum products

(1979–1980)

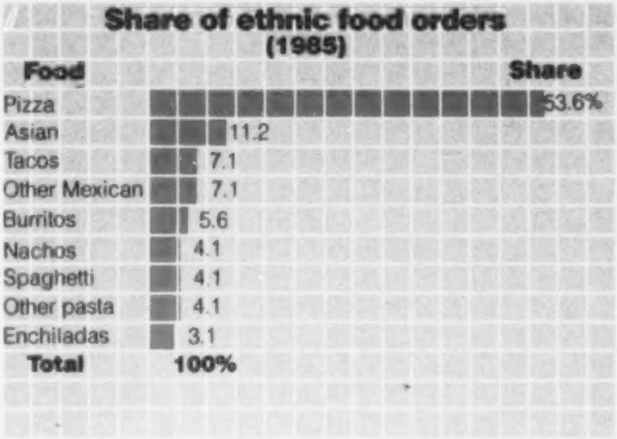
(1984–1985)

Source: CREST Household Report, CREST Family Report, U.S. Department of Labor.

CREST Report Focus

Ethnic foods fire up

As this special report indicates, more and more restaurant operators are spicing up their menus with ethnic dishes and, as a result, the number of orders for ethnic foods has grown considerably.


Share of ethnic food orders (1985)

According to CREST's *Household Report*, ethnic foods were ordered on nearly two out of 10 restaurant occasions in 1985, up from 15.9 percent three years earlier. (See accompanying table for ethnic foods included.)

Pizza was the top-selling ethnic food in 1985, accounting for an overwhelming 53.6 percent of all ethnic food orders. Asian dishes followed, representing 11.2 percent of all orders, while tacos and "other" Mexican foods, such as fajitas, tostadas and chimichangas, tied for third—each accounting for 7.1 percent of ethnic food orders in 1985.

Nachos were the fastest-growing ethnic food item in 1985. Orders for this Mexican specialty jumped 15.5 percent over 1984. "Other" Mexican food orders advanced at the second fastest pace in 1985, up 8.8 percent, followed by pizza (up 8.3 percent) and Asian items (up 5.8 percent).

Orders on rise at quick service . . .

Between 1982 and 1985, ethnic food orders at fast food restaurants skyrocketed 32.3 percent. In 1985 alone, quick service restaurants posted the largest gain in orders for ethnic specialities among the three types of restaurants—up an impressive 10.0 percent. Fueling growth in 1985 were above average gains in orders for "other" Mexican foods, such as fajitas (up 17.4 percent), Asian items (up 16 percent), tacos (up 11.3 percent) and pizza (up 10.2 percent).

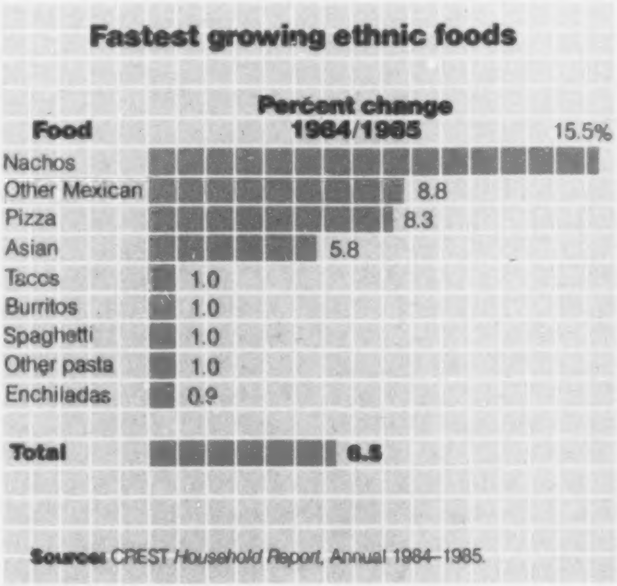
Pizza was the item ordered most often at quick service restaurants, accounting for an overwhelming 70.6 percent of all ethnic food orders. Tacos came in second, accounting for 7.5 percent of the orders, and burritos placed third, accounting for 6.1 percent.

At upscale restaurants the growth in ethnic food orders was healthy but more moderate—4.2 percent. Orders for pasta other than spaghetti, which includes fettuccine and linguini, made the most impressive gain at upscale restaurants in 1985—up 12.2 percent. Nacho orders advanced an impressive 8.5 percent, followed by Asian food orders, which climbed 7.3 percent.

Asian foods topped the list as the most popular item ordered at upscale restaurants in 1985, representing 28.0 percent of all ethnic food orders. "Other" Mexican foods were second with 18.8 percent of the orders, and "other" pasta items placed third, accounting for 10.9 percent of the ethnic food orders.

The proportion of visits on which ethnic foods were ordered at midscale restaurants went up in 1985, but a decline in traffic at these establishments resulted in the actual number of ethnic food orders falling 2.0 percent.

Despite the overall decline in ethnic food orders at midscale eateries in 1985, orders for several dishes increased. Burrito orders jumped 13.7 percent last year, while orders for "other" Mexican food (fa-


Fastest growing ethnic foods

Source: CREST *Household Report*, Annual 1984–1985.

CREST quarterly report delayed

The CREST Report for the 1986 winter quarter will not appear in this issue of *NRA NEWS* due to delays caused by changes in the way CREST data is processed. These figures will be included with spring quarter performance information in the August 1986 issue. Readers interested in this data before that date can call or write NRA's research department after May 1 at 311 First St. N.W., Washington, DC 20001; (202) 638-6100.

jitas, tostadas) advanced 2.0 percent and Asian food orders edged up 0.7 percent. In contrast, a drop in orders of 5.2 percent each for pizza, spaghetti, "other" pasta, enchiladas, nachos and tacos was recorded at midscale establishments.

Ethnic foods popular at dinner . . .

Most ethnic foods are ordered at dinner. In 1985, the evening meal accounted for a whopping 64.2 percent of all ethnic food orders. The overwhelmingly favorite menu choice with dinner patrons is pizza, capturing 58.6 percent of all orders last year. Asian cuisine took the number two spot with 10.8 percent of the orders. "Other" Mexican foods, such as fajitas and tostadas, ranked third, accounting for 6.5 percent of the orders.

Ethnic food orders at dinner grew a healthy 7.1 percent in 1985, reflecting above average increases in orders for several foods. In particular, "other" Mexican food orders advanced 10.7 percent in 1985, followed by pizza (up 8.7 percent), burritos (up 7.8 percent) and "other pasta," which includes dishes such as linguini and fettuccine, (up 7.8 percent).

Slightly more than 28.0 percent of all ethnic food orders in 1985 occurred at lunch. Pizza again took centerstage. Asian food captured second place with 14.5 percent of orders, and tacos ranked third with 11.2 percent of midday orders.

The number of lunchtime orders for ethnic dishes rose 7.8 percent last year. Growth was fueled by the impressive 27.6 percent jump in nacho orders and a 15.8 percent increase in "other" Mexican orders. Orders for Asian foods and pizza also posted significant gains of 9.2 percent and 8.6 percent, respectively.

—Susan Adelman

CREST Report Focus

Dessert orders level off

As this special report indicates, customer orders for desserts in 1985 have approximated sales for 1983 and 1984.

America's sweet tooth is still intact. It kept dessert orders up in 1985, but growth seems to have tapered off. Ice cream was the overwhelming favorite, accounting for a whopping 47.5 percent of all dessert orders—a one percent increase over the year before. "Other" dessert orders, including non-ice cream frozen products, specialty cookies and gelatin/pudding, were also up one percent, in contrast to the 11.4 percent gain between 1983 and 1985. Orders for pies, cakes and pastries declined 1.5 percent in 1985.

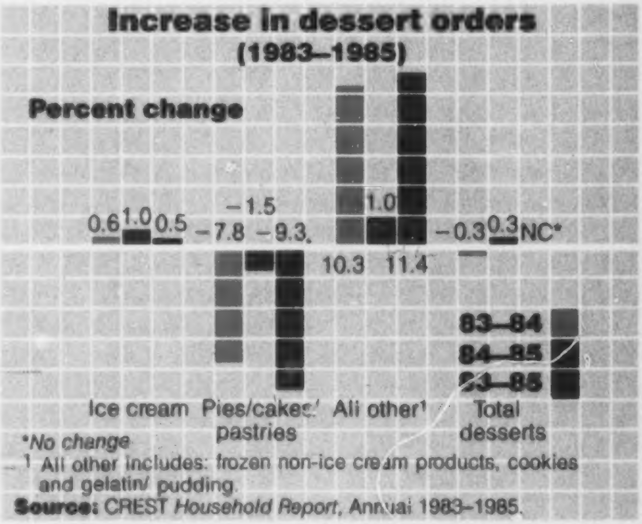
Quick service takes the cake . . .

Quick service restaurants were the only segment to record an increase in dessert orders. The number of dessert occasions climbed 3.6 percent over 1984 levels.

Fast food orders for "other" desserts, such as brownies and cookies, recorded the largest increase, rising 8.4 percent. Orders for pies, cakes and pastries also advanced, but at a more moderate 4.4 percent. Ice cream orders rose 1.7 percent.

Dessert orders at upscale establishments dropped 1.2 percent last year, in contrast to the 6.5 percent gain between 1983 and 1985. Ice cream was the fastest growing dessert item at upscale restaurants in 1985, up 3.0 percent over 1984. Orders for pies, cakes and pastries declined 0.3 percent, but they accounted for the greatest proportion of dessert orders in this segment—42.1 percent. Orders for "other" desserts, such as frozen non-ice cream items and cookies, dropped 5.7 percent.

The number of dessert orders at midscale restaurants tumbled 3.5 percent in 1985. The only dessert item to register an increase in orders was ice cream, up 1.4 percent.


Increase in dessert orders (1983–1985)

*No change

¹ All other includes: frozen non-ice cream products, cookies and gelatin/ pudding.

Source: CREST *Household Report*, Annual 1983–1985.

Dessert items are popular as snacks . . .

According to CREST data, most desserts—nearly 42 percent—are ordered as snacks. In comparison, only 30.0 percent of all dessert orders were at dinner, 26.0 percent at lunch, and a slight 2.0 percent at breakfast.

Snack time was the only meal period during which dessert orders increased last year—up 5.9 percent. The increase in 1985 can be attributed in part to a substantial 23.4 percent gain in "other" dessert orders. In particular, orders for frozen non-ice cream items leaped a whopping 68.9 percent while cookie orders advanced 2.8 percent. Also, orders for ice cream, which account for an overwhelming 69.1 percent of all dessert snack orders, increased 2.8 percent that year.

Dinner registered a 2.6 percent drop in dessert orders between 1984 and 1985. Ice cream and "other" dessert orders at dinner rose 0.1 percent last year, but pie, cake and pastry orders fell 7.2 percent.

The midday meal experienced the largest decline in dessert orders in 1985—down 6.4 percent. Orders for ice cream, pies, cakes and pastry and "other" desserts all lost ground last year, falling 0.7 percent, 7.8 percent and 9.8 percent, respectively.

Seasons affect orders . . .

The time of year can influence the number and type of desserts ordered by restaurant patrons. The summer months tend to inspire dessert orders. In 1985, desserts were ordered on 16.1 percent of all summer restaurant occasions, compared with 14.4 percent of the occasions in the spring, 12.6 percent in the fall and only 11.9 percent in the winter.

Ice cream is the favorite dessert choice of restaurant patrons whatever the season; however, orders are greatest during the hot summer months. In 1985, ice cream accounted for a significant 55.3 percent of total dessert orders during June, July and August. It accounted for a smaller 48.6 percent of the dessert orders in the spring, 42.8 percent in the fall and a relatively low 37.8 percent in the winter.

In contrast, pies, cakes, and cookies as well as "other" desserts (cookies, frozen non-ice cream items) capture a greater proportion of orders in the winter, spring and fall months. For example, in 1985, pies, cakes and pastries represented 33.6 percent of the dessert orders in December, January and February, compared to 29.4 percent in the fall, 27.1 percent in the spring and 21.7 percent in the summer.

"Other" desserts captured the lion's share of orders in the winter, accounting for 28.6 percent of total dessert orders, while in the fall, spring and summer they accounted for a smaller 27.8 percent, 24.3 percent and 23.0 percent, respectively.

—*Susan Adelman*

NRA study report

Take out business is skyrocketing

Take out is big business for the restaurant industry. In 1985, take out or off premises eating was responsible for four out of 10 restaurant occasions and 28 percent of restaurant sales. To study the take out market in depth, NRA conducted a consumer attitude and behavior study.

Practically everyone has eaten carry out fried chicken at a picnic or munched a burger and fries in the car on the way home from shopping or a ball game. However, in the past couple of years these traditional sources of take out food have been joined by all sorts of competitors. Suddenly, the supermarket has sprouted a salad bar and the local convenience store has added sandwiches, fried chicken and pizza. And speaking of pizza, hungry consumers no longer have to go to their favorite pizzeria. The pizza now comes to them in less than 30 minutes.

More and more people are opting for take out meals and snacks. Over the two-year period from 1983 to 1985, take out occasions jumped an impressive 10 percent, while customer traffic for occasions when the food was eaten at the establishment rose a mere two percent. Traffic for take out in the evening meal increased 16 percent while eat-in traffic was flat. Home delivery counts skyrocketed—up 59 percent.

The most likely users of meals or snacks to go are those who are most concerned with convenience and saving time. These include women, 18 to 34-year olds, singles, families with teenagers, households where the female head is employed and households with incomes between $20,000 and $50,000. Those who are less likely to purchase take out meals and snacks include senior citizens, married couples with no children, households where the female head is not employed and households with incomes under $15,000.

Most people purchase take out foods and beverages from fast food places, with six out of 10 polled reporting they buy food to go from a quick service restaurant more than twice a month. Consumers tend to purchase take out meals and snacks less frequently at other types of establishments.

NRA's new study, *The Take Out Market*, is now available. It looks at

- who purchases take out meals
- when take out meals are purchased
- where take out meals are purchased
- why take out meals are purchased
- what is purchased for take out and
- general attitudes toward take out service.

The cost to NRA members is $25.00 (plus $2.50 shipping and handling). The cost to non-members is $50.00 (plus $5.00 shipping and handling). Residents of Washington, DC, and Illinois must add a six percent sales tax. Chicago, IL, residents must add an additional one percent sales tax, bringing their sales tax total to seven percent.

To order, contact the NRA, 311 First St., N.W., Washington, DC 20001 or call (800) 424-5156 or (202) 638-6100. Payment must accompany all orders. Credit card telephone orders are accepted. Please specify number CS935 when placing your order.

Frequency of purchasing take out

Frequency of purchase	**All establishments**	**Fast food places***	**Table service restaurants***	**Grocery stores/ supermarkets***	**Convenience Stores***	**Delis***
Two or more times a month	56.0%	58.1%	27.8%	29.2%	22.8%	14.4%
Once a month or once every other month	20.4	25.0	22.9	17.4	17.7	20.2
Once every 6 months/ once a year	8.9	12.1	20.2	19.1	16.7	26.9
Never	14.7	4.8	29.1	34.3	42.8	38.5

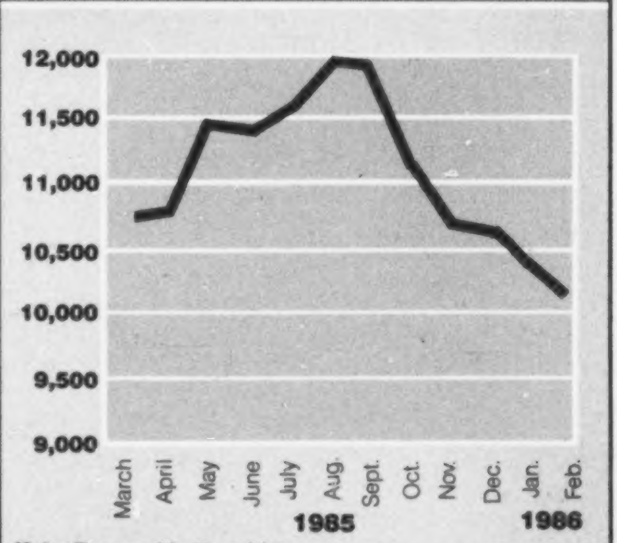
*Based only on those who purchase take out foods and beverages at least once a year.

Source: *The Take Out Market*, National Restaurant Association, February, 1986.

Industry indicators

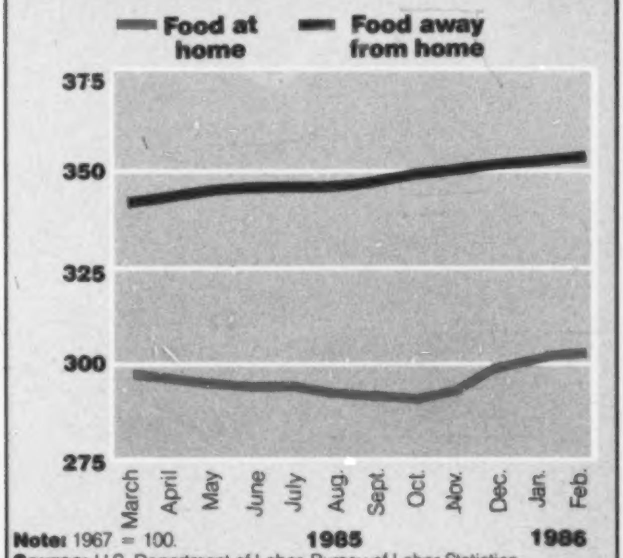
Changes in the economy directly influence restaurant industry performance. To help restaurateurs keep track of these changes, **NRA NEWS** *periodically publishes this report.*

Eating and drinking place sales
(in billions of dollars)



Note: Figures subject to revision.
Source: U.S. Department of Commerce, Bureau of the Census.

Consumer Price Index (CPI)
(Food at home vs. food away from home)



Note: 1967 = 100.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry index

Retail sales (millions)	Feb. 1986	Percent change*	Year-to-date Feb. 1986	Percent change*
All retailers	$99,685	4.3%	$205,244	5.6%
Eating and drinking places	$ 9,619	3.8%	$ 19,776	5.4%
Food stores	$21,640	4.0%	$ 45,342	5.2%

Note: Figures subject to revision.
Source: U.S. Department of Commerce, Bureau of the Census.

Consumer prices (Feb. 1986)	Percent change*	Percent change year-to-date*
Food away from home	3.7%	3.8%
Food at home	1.0%	1.6%
All items less food	3.5%	3.7%
All items	3.2%	3.5%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Eating place sales (millions)	Dec. 1986	Percent change*	Year-to-date Dec. 1986	Percent change*
Eating place sales	$9,885	1.8%	$120,727	5.3%
Real eating place sales	–	−2.0%	–	1.4%

Note: Figures subject to revision.
Source: U.S. Department of Commerce, Bureau of the Census; U.S. Department of Labor, Bureau of Labor Statistics; NRA.

Employment and earnings	Jan. 1986	Percent change*
Total eating and drinking place employment	5,535.3**	4.8%
Nonsupervisory employment	5,030.2**	4.3
Average weekly hours	25.0	nc[1]
Average hourly earnings	$4.39	0.4
Average weekly earnings	$109.75	0.4

[1] no change
*Percent change is from prior year.
**Thousands
Source: U.S. Department of Labor, Bureau of Labor Statistics.
Note: Figures subject to revision.

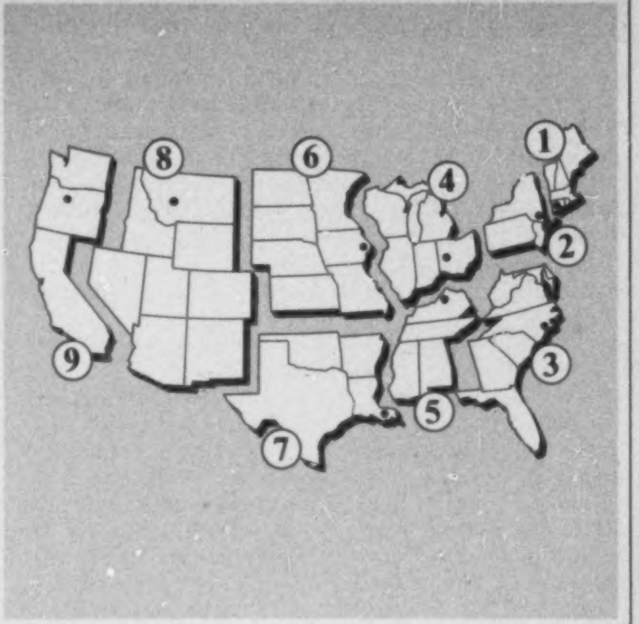
Other economic indicators

	1985/1986 Quarter or month	Percent change
Real Gross National Product (GNP)	IV quarter	0.7%
Personal income	December	1.2%
	January	−0.1%
	February	0.6%
Disposable personal income	December	1.2%
	January	0.4%
	February	0.6%
Personal consumption expenditures	December	1.9%
	January	−0.4%
	February	0.3%
Civilian unemployment rate*	December	6.9%
	January	6.7%
	February	7.3%

**Percentage indicates actual unemployment rate*
Note: Figures subject to revision.
Sources: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Labor, Bureau of Labor Statistics.

How's business?

by Anne Papa



①

NEW ENGLAND

Location: Danbury, CT
NRA member: William Doyon
Operation: The Charter Oak Room
Profile: Fullservice restaurant in an inn
In business: 12 years
Seats: 165
Meals served: Breakfast, lunch, dinner

"Business has been soft," reports **William Doyon,** vice president and general manager of the Ethan Allen Inn, which operates The Charter Oak Room. Although a steady influx of corporate growth has kept Danbury immune from economic fluctuations, this year a much larger force, the weather, has caused business to lag. "Winter just seems never-ending," laments Doyon.

Business people continue to make up the bulk of the clientele at The Charter Oak Room. The country French decor—all furnishings, even the wallpaper, are provided by Ethan Allen, Inc. Furniture Co., which owns the hotel—and a solarium for outdoor dining create a pleasant atmosphere conducive to business discussions. The menu is an eclectic blend of international cuisines, with items such as fettuccine pesto and shrimp scampi listed side by side with duck breast sauvignon, veal oscar and prime ribs.

②

MIDDLE ATLANTIC

Location: Philadelphia, PA
NRA member: Carol Delancey
Operation: Frog
Profile: Fullservice restaurant
In business: 13 years
Seats: 210
Meals served: Lunch, dinner

3

"Ten years ago, competition was not a factor in running a restaurant in Philadelphia," observes **Carol Delancey,** vice president of operations for Frog. "Now we've become a restaurant city. Competition is fierce."

But, by remaining on "the cutting edge," Frog has been able to hold its own among Philadelphians. An elegant atmosphere with Asian overtones, an experimental kitchen, and a menu that changes with the seasons all have contributed to Frog's popularity.

Having a name that is a bit out of the ordinary helps as well. Frog is named after New York's famed La Grenouille Restaurant, a favorite of the owners.

In the spring, diners will be able to order from a special "tastings" menu that will feature half portions of items on the regular menu.

③

SOUTH ATLANTIC

Location: Southport, NC
NRA member: Skip Fry
Operation: Bald Head Island Inn
Profile: Fullservice restaurant
In business: 7 years
Seats: 96
Meals served: Breakfast, lunch, dinner

To enjoy a meal at the Bald Head Island Inn, customers really have to want to get there. The only access to Bald Head Island, where the inn is located, is via ferry. As a result, the Bald Head Island Inn caters mostly to island residents and seasonal tourists.

That's exactly how it should be, says general manager **Michael Paul.** "Bald Head Island has been a well-kept secret for many years," he says. "Now tourists are discovering how beautiful it is. The restaurant, which re-opened for the season in early March, is as busy as it could possibly—or desirably—be."

Since the restaurant sits a mere 20 feet from the Atlantic Ocean, it is no wonder that seafood is the specialty of the house. Grouper and blackened snapper, as well as shrimp and crab Norfolk, are big favorites. And guests enjoying dinner at the Bald Head Island Inn can witness a spectacle that is rare on the East Coast—the sun *setting* over the Atlantic Ocean, to the west of the island.

④

EAST NORTH CENTRAL

Location: Lima, OH
NRA member: Kay Wende
Operation: The Huddle Restaurant
Profile: Fullservice family restaurant
In business: 46 years
Seats: 65
Meals served: Breakfast, lunch, dinner

For the first time since her father opened The Huddle Restaurant in 1941, **Kay Wende** says the restaurant has experienced a downswing in business. "Ironically, the economy has improved in Lima," she says. "Perhaps now that people have a little bit more money they're going to more upscale restaurants."

But Wende is not worried because The Huddle still does a high volume of business. Certainly, the restaurant is a destination point for pie enthusiasts from miles around—a total of 27 pie varieties are baked fresh daily at The Huddle.

Homemade soups are also a house specialty, with five varieties served daily. And many of the items on The Huddle's menu are prepared with little or no salt. "We're close to a hospital, and we have a lot of older customers," explains Wende. "Many of these customers have eaten three meals a day here for the past 41 years. They appreciate knowing our food is prepared with their diets in mind."

5

EAST SOUTH CENTRAL

Location: Covington, KY
NRA member: Leslie Keller
Operation: The Conservatory
Profile: Fullservice restaurant
In business: 10 years
Seats: 150
Meals served: Lunch, dinner

This past winter, The Conservatory closed for two months for re-modeling. It has since reopened with an exotic decor, a new and adventurous chef and a series of promotions designed to lure customers. "We've had a high volume of business since reopening," says **Leslie Keller,** assistant dining room manager. "A lot of business people are coming in, both from Covington and from nearby Cincinnati."

As its name suggests, The Conservatory is filled with flowers. The menu features seafood, which is flown in daily, items prepared tableside, such as Caesar salad, and an entire "light menu" for health-conscious customers. Business-building promotions since the reopening have included parties to celebrate big sports events, where the bartender dressed like a concessionaire hawked hot dogs and beer. Of course, assures Keller, something big is in the works for the Kentucky Derby.

6

WEST NORTH CENTRAL

Location: Maryland Heights, MO
NRA member: Ann Noble
Operation: The Pasta House Company
Profile: Fullservice restaurant
In business: 3 years
Seats: 120
Meals served: Lunch, dinner

According to manager **Ann Noble,** The Pasta House Company is doing a solid business, thanks to a location near the St. Louis, MO, airport and Westport, a thriving business district just outside of St. Louis.

The Pasta House Company is a franchise unit with headquarters in St. Louis, and the house specialty is—what else?—pasta, with six different types of noodles served under a wide variety of toppings. A popular specialty is pasta con pesto—egg and spinach noodles served with a butter, garlic and fresh basil sauce.

Regular customers save plenty of room for the restaurant's famous "strawberry cheesecake ice cream supreme dream," which contains every ingredient mentioned in the name and then some. The restaurant has a fresh look to complement its fresh ingredients, with butcher block tables, brass chairs, and green and rose accents.

7

WEST SOUTH CENTRAL

Location: New Orleans, LA
NRA member: John Rotonti
Operation: Felix's
Profile: Fullservice restaurant
In business: 40 years
Seats: 160
Meals served: Breakfast, lunch, dinner

Business traditionally slows down in New Orleans during the weeks following Mardi Gras and Easter. But **John Rotonti,** owner of Felix's, says business has maintained a higher-than-normal pace this year. "We've had wonderful spring weather, which accounts for much of our steady business," he surmises.

Felix's is located in the heart of the French Quarter, so the outside of the restaurant is decorated with the ironwork typical of the area. Inside, the first thing customers notice is the long raw oyster bar. "It's the longest in the city," boasts Rotonti. Not surprisingly, Felix's specializes in oysters—fried, broiled, brochette, Rockefeller, Bienville. In addition, the menu features such New Orleans favorites as seafood gumbo, crawfish etouffe and fresh seafood of all types.

8

MOUNTAIN

Location: Helena, MT
NRA member: Charles Jorgenson
Operation: Jorgenson's Holiday Restaurant
Profile: Fullservice family restaurant
In business: 28 years
Seats: 160
Meals served: Breakfast, lunch, dinner

Charles Jorgenson, owner of Jorgenson's Holiday Restaurant, has seen business in his restaurant and adjoining motel decline 30 percent. Montana's three major industries—lumber, mining and agriculture—are all down. In addition, gas prices in the past few years have kept tourists from coming to the state, but Jorgenson is optimistic about a general upturn this year. "The decreasing gas prices should help us get some of our tourists back," he hopes.

The majority of Jorgenson's customers are loyal regulars and customers who have heard about the restaurant in Helena.

The menu changes daily. One day it might feature short-ribs and homemade apple pie, while the next day it might include pork chops, homemade clam chowder and rum chiffon pie—a house specialty.

9

PACIFIC

Location: Portland, OR
NRA member: Alan Jakobs
Operation: The Carnival
Profile: Family cafeteria
In business: 35 years
Seats: 160
Meals served: Lunch, dinner

"Many restaurants in Portland have been adversely affected by the economy," observes **Alan Jakobs,** manager of The Carnival. "However, since we are a relatively inexpensive family restaurant with ample downtown parking, we've been doing a steady business."

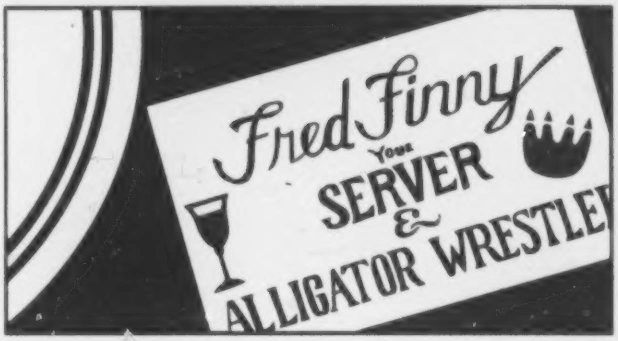
As the name implies, a red and white carnival motif is predominant throughout the cafeteria. Children delight in highchairs shaped like animals, murals of circus scenes on the walls and gingerbread figure cutouts provided with their meals.

Everyone enjoys the house specialty—hamburgers, prepared with different toppings and cooked to order, says Jakobs.

Soups, salads and deli items are also featured, as are fresh pastries baked daily on the premises.

FOOD FOR THOUGHT

Something to remember them by



Some servers are leaving a little something extra with customer bills—a tip card.

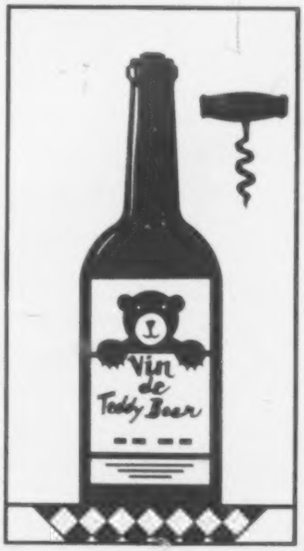
Tip cards are business cards developed for restaurant servers: They carry the server's name and a hand-picked design, such as a wine bottle, a romantic scene or an ornate "thank you."

The idea was conceived by two servers who expanded their own success with the cards into a healthy business. In only six months, The Pressure's On tip card company in Denver, CO, has sold more than 1,500 sets. According to co-owner Katy Gallagher, the reason for the success is "bigger tips and repeat customers."

Some servers with dual careers find that the cards can do double duty by listing both occupations, such as bartender-architect or server-dancer. One such dancer landed a teaching job in a summer festival because a customer carried her card home.

—*TABLES*

I'll have two beers and a teddy bear, please



The move to demystify American wine has made it to the wine label. No more unpronounceable names for some of the California winemakers. Instead, they have decided to christen some of their more moderately priced selections ($5–10) with such unforgettable names as Refrigerator White (Pat Paulsen Vineyards), Garlic Dinner Wine (Rapazzini Winery), Spaghetti Red (Haywood Winery), Planet of the Grapes (Rombauer Vineyards), Wineburger Zinfandel (Lytton Springs Winery), Old Dog Red (David Bruce Winery) and Teddy Bear and Bunny Rabbit (Sebastiani Winery).

Although most of these wines are not big commercial ventures, according to Rory Callahan, director of the Wine Institute, NY, "They are a way of having a little fun. They're wines that the winemaker has a special affection for."

In some cases, so does the public. Garlic Dinner Wine, a white wine fermented with crushed garlic, won a gold medal in 1984 at the Los Angeles Wine Fair. And Planet of the Grapes, premium Merlot and Chardonay wines, started out as homemade wines to cut back on the family's wine bill, but soon became a serious business.

—*USA TODAY*

Customer gripes

According to Gallup's annual report on eating out, customers are most turned off by poor service, with 83 percent of the respondents objecting.

Other pet peeves are
- loud music—64 percent
- slow service—61 percent
- too dark—57 percent
- tables too close—46 percent and
- no non-smoking section—36 percent.

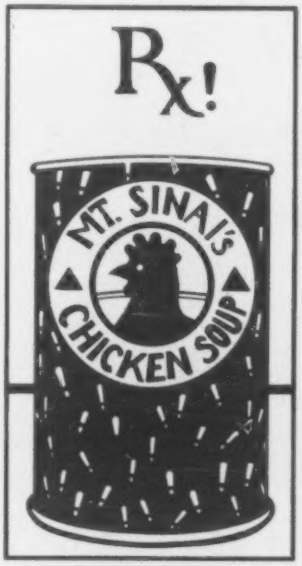
—*USA TODAY*

Chicken soup—a PR remedy?

When Mount Sinai Medical Center came down on the side of grandmothers in the late 1970s by releasing a study that confirmed chicken soup has therapeutic merit, it made headlines. The study, published in *Chest* magazine, said hot chicken soup helps clear stopped-up nasal passages.

Now the hospital is in the news again because it has decided to put money on its idea. Earlier this year, Mount Sinai began distributing its private label chicken soup stock, made by Manischewitz Food Products Corp. Although its first run was only 12,000 cans, the move has proven unsurpassed as an attention-getter. The story on the hospital's soup has been carried by broadcast stations, newspapers and magazines across the country.

—*USA TODAY*



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for anything.

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Building Profits *Controlling Costs, Discovering Profits Centers and Targeting Market*—**Building Profits** focuses on your major concern. Through analyzing control systems, exploring new profit centers and targeting potential markets, you will find additional profit opportunities which can make a sizable addition to your current financial situation. **Building Profits** brings together many of the best articles which originally appeared in *NRA NEWS*, the National Restaurant Association's monthly magazine. **MG280,** 100 pgs., soft-cover book, 1985, **$14.95**

Restaurant Industry Operations Report '85 This is a 1985 state-of-the-industry look at financial operating data of full and limited-menu tableservice restaurants, fast food operations and cafeterias. Operations are profiled by restaurant type, location, organizational structure and sales volume. There are separate sections for those restaurants serving alcoholic beverages and those serving non-alcoholic beverages. **CS955,** 80 pgs., soft-cover book, 1985, **$19.00 members, $38.00 non-members**

Edited Transcript

The Crisis in Product & Service Liability Liability, the issue most on your mind is subject of this current NRA publication. **The Crisis in Product and Service Liability** offers an in-depth analysis of the crisis—how it affects the restaurant industry, who the major players are and what your options are today as well as what they are likely to be in the near future. If your operation is threatened by the crisis, don't miss this publication. **MG567,** 72 pgs., soft-cover book, 1986, **$9.95**

New Research

The Take Out Market Take out foods and beverages are becoming popular as consumers seek alternatives to preparing meals at home. This new NRA consumer research study explores the take out market—who's ordering, with what frequency and where customers make their purchases. In addition, the study examines why consumers opt for take out meals and ascertains general attitudes toward take out purchases. **CS935,** 140 pgs., soft-cover book, 1986, **$25.00 members, $50.00 non-members**

1985 Edition

Executive Compensation and Benefits in the Foodservice Industry Base salary, bonuses, incentives, profit sharing and other benefits are detailed for 29 positions in foodservice management. Tabular information, structured similarly for all positions, breaks down data by type of restaurant, organization and ownership, as well as scope of operation and sales volume. **CS155,** 63 pgs., soft-cover book, 1985, **$20.00 members, $40.00 non-members**

Facilities Operations Manual This complete manual outlines the details for facility construction. Easy-to-follow chapter breakdowns include building structures, building systems, foodservice equipment and an energy cost analysis. **MG573,** 175 pgs., 3-ring binder, 1986, **$13.95 members, $19.95 non-members**

Conducting a Feasibility Study for a New Restaurant A do-it-yourself handbook for conducting a feasibility study. This book will take the guesswork out of finding a successful location for your restaurant. It will show you how to conduct a demographic support survey and evaluate the various factors that can determine whether a restaurant concept will work in a given area. **CS979,** 130 pgs., soft-cover book, 1983, **$12.50 members, $25.00 non-members**

Wine & The Bottom Line *By Edmund Osterland* Wine sales can represent an enormous profit center for your operation. This book will show you how to cash in on those profits through planning, pricing and consumer education. Osterland also details a training program to help you teach your staff the intricacies of selling. After completing this book you will be serving wine for greater profit. **WL913,** 80 pgs., soft-cover book, 1980, **$9.95**

Uniform System of Accounts for Restaurants Prepared by the accounting firm of Laventhol & Horwath, this NRA best-seller presents a complete, easy-to-use record-keeping system for foodservice operations. Filled with exhibits, from balance sheets to salary and wage control reports, this book has been written with the needs of smaller restaurant operators in mind. **MG936,** 160 pgs., soft-cover book, 1983, **$14.95**

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JUNE/
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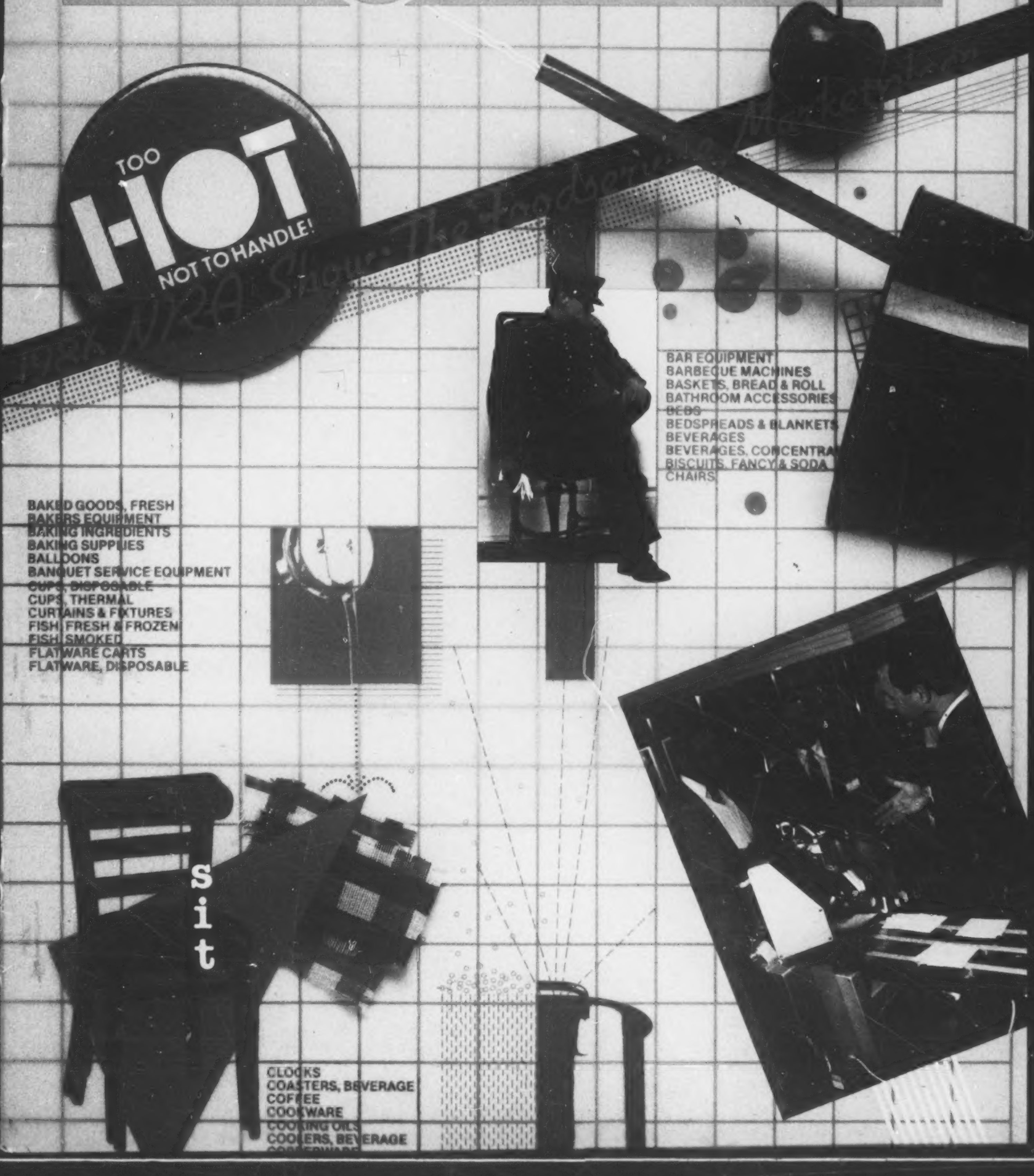
1986

National Restaurant Association

Vol. 6 ☐ No. 6 ☐ June/July 1986

A8200-1

NRA NEWS


TOO HOT NOT TO HANDLE!
1986 NRA Show: The Foodservice Marketplace
BAR EQUIPMENT
BARBECUE MACHINES
BASKETS, BREAD & ROLL
BATHROOM ACCESSORIES
BEDS
BEDSPREADS & BLANKETS
BEVERAGES
BEVERAGES, CONCENTRA
BISCUITS, FANCY & SODA
CHAIRS
BAKED GOODS, FRESH
BAKERS EQUIPMENT
BAKING INGREDIENTS
BAKING SUPPLIES
BALLOONS
BANQUET SERVICE EQUIPMENT
CUPS, DISPOSABLE
CUPS, THERMAL
CURTAINS & FIXTURES
FISH, FRESH & FROZEN
FISH, SMOKED
FLATWARE CARTS
FLATWARE, DISPOSABLE
Sit
CLOCKS
COASTERS, BEVERAGE
COFFEE
COOKWARE
COOKING OILS
COOLERS, BEVERAGE

NRA MEETINGS

Seminars

Basic Foodservice Courses

Dining Room Management

8/19	Annapolis, MD
8/21	Lansing, MI
9/8	Houston, TX
9/10	Oklahoma City, OK
9/15	Atlantic City, NJ

Dining Room Management: Sales and Service

8/20	Annapolis, MD
8/26	Lansing, MI
9/9	Houston, TX

Kitchen Management

8/4	St. Paul, MN
8/6	Kansas City, MO
8/18	New Orleans, LA
8/25	Orlando, FL
9/9	San Diego, CA
9/11	Tucson, AZ
9/16	Atlantic City, NJ
9/24	Providence, RI

People-Power and Profits

9/8	Minneapolis, MN
9/30	Annapolis, MD

Tools for Training

7/22	Danbury, CT
7/24	Burlington, VT
8/11	Charlotte, NC
9/10	New Orleans, LA

Food Production Courses

Perfecting Your Culinary Skills

8/5	Columbus, OH
8/19	Manchester, NH
9/16	Grand Rapids, MI

Simplified Baking Workshop

8/12	Pittsburgh, PA
9/9	Chicago, IL
9/23	Denver, CO

Soups and Sauces

8/11	Madison, WI
8/12	Omaha, NE

Foodservice Management Courses

Banquet Management

8/7	San Francisco, CA
9/15	Toronto, Ontario, Canada
9/29	Knoxville, TN

Beverage Management

7/29–30	Austin, TX
8/12–13	Alexandria, VA
9/15–16	Atlantic City, NJ
9/23–24	Milwaukee, WI

Employee Motivation

9/16	Atlantic City, NJ
9/18	Cincinnati, OH

Food Cost Management

8/5	Tacoma, WA
8/19	Montgomery, AL
9/9	Columbia, SC
9/16	Lexington, KY
9/18	Westchester, NY

Foodservice Operators' Legal Workshop

9/15	Atlantic City, NJ
10/14	Richmond, VA

Menus that Sell!

8/12	Charleston, WV
9/22	Lancaster, PA

Negotiating for, and Financing, Foodservice Facilities

8/4–5	Detroit, MI
8/25–26	New York, NY

Off-Premises Catering

8/5–6	Philadelphia, PA
9/9–10	Baltimore, MD

Operational Analysis

8/12–13	Newark, NJ

Planning Successful Buffets

8/5	Anaheim, CA
8/18	Cincinnati, OH
9/3	Atlanta, GA

Real Estate and Restaurant Site Selection

8/6–7	Denver, CO
9/8–9	Nashville, TN

Restaurant Design and Facilities Planning

9/17–18	Vienna, VA

Stress and Foodservice

8/6	Boston, MA
9/8	Springfield, VA
9/24	Greensboro, NC
9/29	Columbus, OH

Planning and Implementing Restaurant Marketing Strategy

9/9–10	Seattle, WA

Study Group Meetings

Large Independent Operators (LIO)

8/20–22	Toronto, Ontario, Canada

Internal Audit

9/16–19	San Francisco, CA

MIS (formerly EDP)

10/14–17	Monterey, CA

Financial Officers

10/15–17	Williamsburg, VA

Tax Executives

10/15–17	Williamsburg, Va

Quality Assurance

10/22–24	Boston, Ma

Market Research

October	Scottsdale, AZ

Marketing Executives

October	New York, NY

Foodservice Purchasing Managers

October	San Francisco, Ca

MAECO

October	San Diego, CA

For more information on specific study groups, contact Phillip Kralovec, (312) 853-2525.

National Conferences

National Conference on Marketing, Advertising and Promotions

8/17–20	Chicago, IL

Eleventh Annual California Wine Workshop

9/29–10–2	Monterey, CA

National Conference on Catering

11/16–19	New Orleans, LA

Independent Foodservice Operators' Conference

1/18–21/87	San Francisco, CA

National Conference on Computers in Foodservice

3/8–11/87	Dallas, TX

For more information, contact
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156 or (202) 638-6100

NRA NEWS

Vol. 6 No. 6 June/July 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to ***NRA NEWS***. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright ©NRA 1986. Postmaster, send address change to ***NRA NEWS***, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

G. "Jim" Hasslocher
President
Frontier Enterprises
San Antonio, Texas

Board restructured

Show draws record crowd

Tax bill helps and hurts

At the Annual NRA Membership Meeting during the NRA Show in Chicago, I was deeply honored to be elected Chairman of the Board and President of the National Restaurant Association. My major objective during my 12-month term is to begin implementation of the five-year strategic plan, which received final approval during that same meeting.

This plan calls for reorganization of the association's Board of Directors. Foodservice is a very diversified industry. It includes firms large and small, and it includes companies in every state. We intend to enlarge the Board to ensure all operators have a voice in deliberations.

Beginning in 1987, the NRA Board will include

- one director from each state including the District of Columbia
- up to 15 directors from multi-unit operations
- nine directors at large
- three officers
- two exchange directors from the American Hotel & Motel Association.

The size and scope of our industry was evident at the NRA Show, which is recreated for you in this issue of ***NRA News.*** More than 100 thousand foodservice men and women attended the Show, visited the acres of exhibits and participated in the educational programs and events. This tremendous turnout suggests that our industry is prospering and preparing for future growth.

Of course, the very prominence of the industry draws the attention of journalists, consumer activists and government officials. Many would like to change the laws and regulations which govern our operations. That is why it is more important than ever that we work together, through NRA, to advance our own interests.

We are pledged to continue the battle for tax equity. The Senate has passed its version of the Tax Simplification bill. Although this bill has to be reconciled with the House version, it is already certain that the final legislation will include both positive and negative provisions for our industry.

The tax rate for most corporations will be lower. The Targeted Jobs Tax Credit (TJTC), which provides a tax credit for hiring from among designated disadvantaged groups, will be renewed, The deduction for business meals, however, will be reduced by 20 percent.

NRA will monitor the effect of this last provision when it becomes law—probably on January 1, 1987. Armed with documentation of the adverse effects experienced by our industry, we will seek corrective legislation from the next Congress.

NRA denounces mandatory labeling

The association continues to fight labeling requirements for any segment of the foodservice industry. A petition which would have required ingredient labeling on fast food and take-out wrappers was opposed by NRA and finally rejected by the U.S. Department of Agriculture.

Next, legislation was introduced in both the House and Senate which would require ingredient labeling on packaged food, and NRA is lobbying against these bills on Capitol Hill and in the media. We have argued persuasively that ingredient labeling on wrappers is totally impractical in foodservice operations and that individual companies should be allowed to develop the right vehicles for conveying ingredient information to customers who need it.

NRA sponsors new holiday promotion

On a happier note, Grandparents Day will be celebrated on Sunday, September 7. Last year 20 percent of all Americans dined out on this new holiday. NRA will conduct a media campaign to remind people to celebrate the event.

Shortly, you will receive a mailing containing a sample poster and table tent to help you promote the holiday. The mailing will also include a special issue of ***PRO-MOTION,*** full of ideas for your Grandparents Day activity. Order your posters and table tents. Plan your promotion, and help make dining out an important part of this new American holiday.

NRA offers new seminars

NRA has added two new seminars to the list of educational programs offered in locations near you. *Sale and Service* shows owners and managers how to design and implement a system which helps build sales through better service. *Stress and Foodservice* teaches attendees how to manage the pressures of their operation and how to keep these pressures from affecting performance.

For more information on NRA's extensive offering of seminars and conferences, call the Education Program Department at the association's Washington headquarters.

NRA surveys wage rates

Because labor costs and labor shortages are major concerns for most operators, the association is conducting a major survey to determine average wage rates for hourly employees. This survey is designed to provide much-needed information about these problems.

If you receive a special mailing asking you to participate in this survey, please take the time to fill out the questionnaire. By October 1986, NRA will be able to provide you with a report on the average wages by occupation for your region and state.

During May and June, 469 foodservice operators and allied suppliers became members of NRA. We welcome you. Your participation in NRA will make your business grow and make your association functions more effectively on your behalf.

Sincerely,

G. Jim Hasslocher

G. "Jim" Hasslocher
President and Chairman of the Board

CONTENTS

Cover Story: NRA Show Overview

9 Jam-packed with people, events and information, this year's Show was the largest ever. To give you a taste of the excitement, our Show "scrapbook" takes you for a walk through the Show—the exhibits, new products, special events and other highlights. We also go behind the scenes to give you a special inside view of the Hot Food Competition—and the NRA Wine Classic, plus an upclose look at three of the informative educational sessions. In addition, this Show report issue includes "spin off" articles generated by interest on the Show floor.

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Cover photograph by Gary Landsman

SHORT ORDERS

NRA publishes nutrition guide

Are you interested in promoting nutritious food, but don't know where to begin? NRA's new publication, *A Nutrition Guide for the Restaurateur,* provides practical information on incorporating nutrition into a foodservice operation, including a chapter on marketing. The handbook examines the role of nutrition in health and disease and focuses on major issues of consumer concern—calories, fat, cholesterol, sodium and fiber. Guidelines for modifying menus and recipes to appeal to the nutrition-conscious consumer are included. The appendices list nutrient information on select food items.

A Nutrition Guide for the Restaurateur is available to members for $15 (plus $2 shipping and handling.) The cost to non-members is $30 (plus $3 shipping and handling.) Residents of Washington, DC, must add a six percent sales tax, and Illinois residents must add an additional one percent sales tax, bringing their sales tax total to eight percent.

To order, contact NRA, 311 First St., N.W., Washington, DC 20001 or call (800) 424-5156 or (202) 638-6100. *Payment must accompany all orders.* Credit card telephone orders are accepted. Please specify number CS 983 when placing your order.

A Nutrition Guide for the Restaurateur

Susan Mills, director of NRA's research department, introduced NRA's new nutrition book at the Show.

We are winners!

NRA NEWS won two awards in the sixth annual Society of National Association Publications Editorial and Graphic Awards Competition, which judged more than 300 submissions published in 1985.

The association magazine captured first place in the category of cover photography for its November 1985 issue on the problem customer. According to the judges, the cover is "a very witty depiction of a customer 'bent out of shape.' A clever concept artfully executed and photographed. . . . The most creative photographic execution of a well thought out idea."

Also honored was the cover story in that issue, which won second place in the feature writing category.

NRA NEWS name change scheduled for August

Yes, the *Wall Street Journal,* June 5, 1986, article on NRA was correct, the ***NRA NEWS*** is changing its name to ***RESTAURANTS USA.*** The name change will take place with the August 1986 issue. "The name change reflects the growth in prominence and position of your association magazine," explains NRA Executive Vice President Bill Fisher. Initiated nearly five years ago (October 1981) as a merger of three association publications, the ***NRA NEWS*** has grown into much more than a newsletter. ***RESTAURANTS USA*** will strive to provide you with the same in-depth coverage of industry trends, association activities and operational techniques you have grown to expect from the ***NRA NEWS.***

Educational council moves offices to NRA

At a press conference during the 67th NRA Restaurant, Hotel-Motel Show, G. "Jim" Hasslocher, Chairman of the Board and President of the National Restaurant Association (NRA), announced that the Council on Hotel, Restaurant and Institutional Education (CHRIE) will move its office to NRA's Washington headquarters, effective July 1, 1986.

CHRIE was founded in 1946 and currently represents more than 700 educators and hospitality industry professionals. The organization has long been respected as the leading association for professionals involved in the broad spectrum of hospitality careers. Its major purpose is to promote hospitality education in programs from high schools through universities.

According to Hasslocher, the move will promote a close relationship between industry educators, represented by CHRIE and foodservice operators represented by NRA. "The relocation of CHRIE to NRA'sheadquarters signifies a consolidation of both segments which will benefit the hospitality industry as a whole," Hasslocher said.

WASHINGTON REPORT

Tax bill strikes blow to foodservice

Despite all the efforts of the National Restaurant Association, its members and other industry supporters, the Senate's final version of the tax bill struck a blow to foodservice. After 18 months of intense debate—first at the Treasury Department, then at the White House and finally in Congress—the Senate approved a tax bill that would limit the deductibility of business meal and entertainment expenses to 80 percent.

The final showdown on business meals came as a bitter disappointment to NRA, since the industry almost won full deductibility during Senate Finance Committee markup. Preserving 100 percent deductibility was a major NRA legislative priority this year, and NRA President G. "Jim" Hasslocher said the 80 percent limit "will make a mockery of tax fairness.

"Our industry simply wants to be on equal footing with other firms which compete for business marketing dollars, but Congress is telling us that our services are only 80 percent legitimate."

The Senate finished work on its bill on June 24 and voted 97–3 to send the measure to a House-Senate conference, where differences between it and the House-approved H.R. 3838 will be ironed out. Since the House and Senate bills are virtually identical in the business entertainment area, the final bill that goes to the President must contain the 80 percent limit.

Efforts to preserve 100 percent deductibility were nearly successful in early May when the Finance Committee put the finishing touches on the Senate's tax reform bill. Committee members William Armstrong (R-CO) and Daniel Patrick Moynihan (D-NY) offered an NRA-backed amendment to retain the current deduction while tightening substantiation requirements for business entertainment. The amendment failed on a 9–9 tie vote, with two senators abstaining. A majority vote was needed to carry the amendment.

NRA planned to take the issue to the Senate floor and hoped that an amendment preserving full deductibility would be offered there. Sens. Paul Laxalt (R-NV) and Daniel Inouye (D-HI) were prepared to introduce such an amendment but decided after discussion with other senators that the votes were not there for it to pass.

Both Laxalt and Inouye called on the Finance Committee to monitor the effect of the 80 percent deduction on the foodservice and entertainment industries. "Over the next year we intend to watch the effects of this provision very closely," Inouye said.

NRA will now work for technical changes to clear up confusion surrounding new compliance language included in the business meal provision. NRA would also like to see Congress accept the Senate bill's starting date for tax reform. Under the Senate bill, the 80 percent limit would be effective Jan. 1, 1987; under the House bill, the effective date would be Jan. 1, 1986.

What Congress is about to do to the restaurant business is enough to make you lose your appetite

Despite the massive mailgram attempt (almost 7,000 concerned show-goers sent mailgrams to Congress), the bill limiting meal deductibility passed the Senate.

Congress to consider fast food labeling

Sen. John Chafee (R-RI) and five of his Senate colleagues have introduced the "Fast Food Ingredient Information Act of 1986" (S. 2446) to require labeling for packaged foods sold by franchised chains with 10 or more units. A similar bill (H.R. 4935) was introduced in the House by Rep. Stephen Solarz (D-NY) and 14 other representatives, but, unlike the Senate bill, it permits substituting a prominent point-of-sale display that provides ingredient information.

Both Chafee and Solarz believe that mandatory ingredient labeling would ultimately result in improved public health.

H.R. 4935 and S. 2446 resemble petitions filed last year with the U.S. Department of Agriculture (USDA) and the Food and Drug Administration (FDA) by the Center for Science in the Public Interest (CSPI). USDA rejected CSPI's petition for mandatory labeling, citing problems in enforcing such regulations and the difficulties and high costs of industry compliance. FDA has not yet responded to the petition.

Although the National Restaurant Association believes consumers have a right to know what is in the food they eat, it also believes mandatory labeling is an unwieldy and unenforceable way to provide such information. Because ingredient information can be obtained through existing channels—through a call or letter to a restaurant's headquarters, for example—NRA believes mandatory labeling is unnecessary.

—Jay Morris
—Denise Roach

THE BOARD ROOM

Hasslocher names new committee chairmen

One of the first acts of incoming NRA Chairman of the Board and President G. "Jim" Hasslocher (Frontier Enterprises, San Antonio, TX) was to appoint new chairmen to the board-level committees that will direct the activities of NRA for the year 1986–87. The following NRA directors will serve as chairmen of NRA's seven standing committees.

- **Audit Committee: Harris "Bud" Rusitzky** (Serv-Rite Food Service and Consulting Corporation, Pittsford, NY)
- **Bylaws Committee: Donald H. Clinton** (Clinton's Restaurants, Inc., Los Angeles, CA)
- **Executive Committee: G. "Jim" Hasslocher**
- **Finance: NRA Treasurer Jim L. Peterson** (Whataburger, Inc., Corpus Christi, TX)
- **Investment: Robert M. Rosenberg** (Dunkin' Donuts, Inc., Randolph, MA)
- **Nominating: James A. Collins** (Collins Foods International, Inc., Los Angeles, CA)
- **Pension: John F. Cauley, Jr.** (Friendly Ice Cream Corporation, Wilbraham, MA).

Directors selected to chair NRA's eight operating committees are:

- **Communications Committee: Steve Elmont** (Creative Gourmets, Ltd., Boston, MA)
- **Convention Committee: Michael Hurst** (15th St. Fisheries, Ft. Lauderdale, FL)
- **Education and Human Resources Committee: Jack L. Miller, Sr.** (Open Hearth Restaurant, Gatlinburg, TN)
- **Facilities and Technical Services Committee: John J. Kawa** (Johnny's Cafe, Omaha, NE)
- **Government Relations: John R. Farquharson** (ARASERVE, Division of ARA Services, Inc., Philadelphia, PA)
- **Political Action Committee: W.W. "Biff" Naylor** (Naylor Brothers Restaurants, Inc., Los Angeles, CA)
- **Political Education Committee: Richard E. Marriott** (Marriott Corporation, Washington, DC)
- **State Relations Committee: Stephen M. Huse** (Noble Roman's Inc., Bloomington, IN)

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G. "Jim Hasslocher" outlined NRA's new strategic plan at the NRA Show.

NRA membership elects new directors

During the annual membership meeting at the 67th NRA Restaurant, Hotel-Motel Show in Chicago in May, the following new directors were elected to the NRA Board:

- **Robert L. Barney,** Wendy's International Inc., Dublin, OH
- **Thomas A Kershaw,** Hampshire House Corp., Boston, MA
- **Robert A. Kozlowski,** Canteen Corp., Chicago, IL
- **Richard C. May,** Specialty Restaurants-Gilbert Robinson, Kansas City, MO
- **John C. Metz,** Custom Management Corp., Kingston, PA
- **William Naegele,** Restaurants No Limit, Inc., Minnetonka, MN
- **Richard H. Rodby,** Kemoo Farm Restaurant, Wahiawa-Oahu, HI
- **Charles F. Smith,** C.S. Goodberrys, Arvada, CO
- **Jack A. Sosebee,** Sosebee Company Restaurants, Dallas, TX

Also newly appointed are **Peter Kleiser,** Hilton Hotels Corp., Beverly Hills, CA, as an associate director and **William Frank,** Edwards Fine Food, Ltd., Nova Scotia, Canada and **Joaquin Vargas,** Wing's, Anahuac, Mexico as new international directors.

NRA President pledges to implement strategic plan

At his first official press conference following his election as Chairman of the Board and President of the National Restaurant Association, G. "Jim" Hasslocher announced that the major objective of his presidency will be to implement NRA's strategic plan. Hasslocher referred to the five-year strategic plan developed by a task force chaired by NRA Director Michael Hurst and approved during a special session of the Board in April 1986.

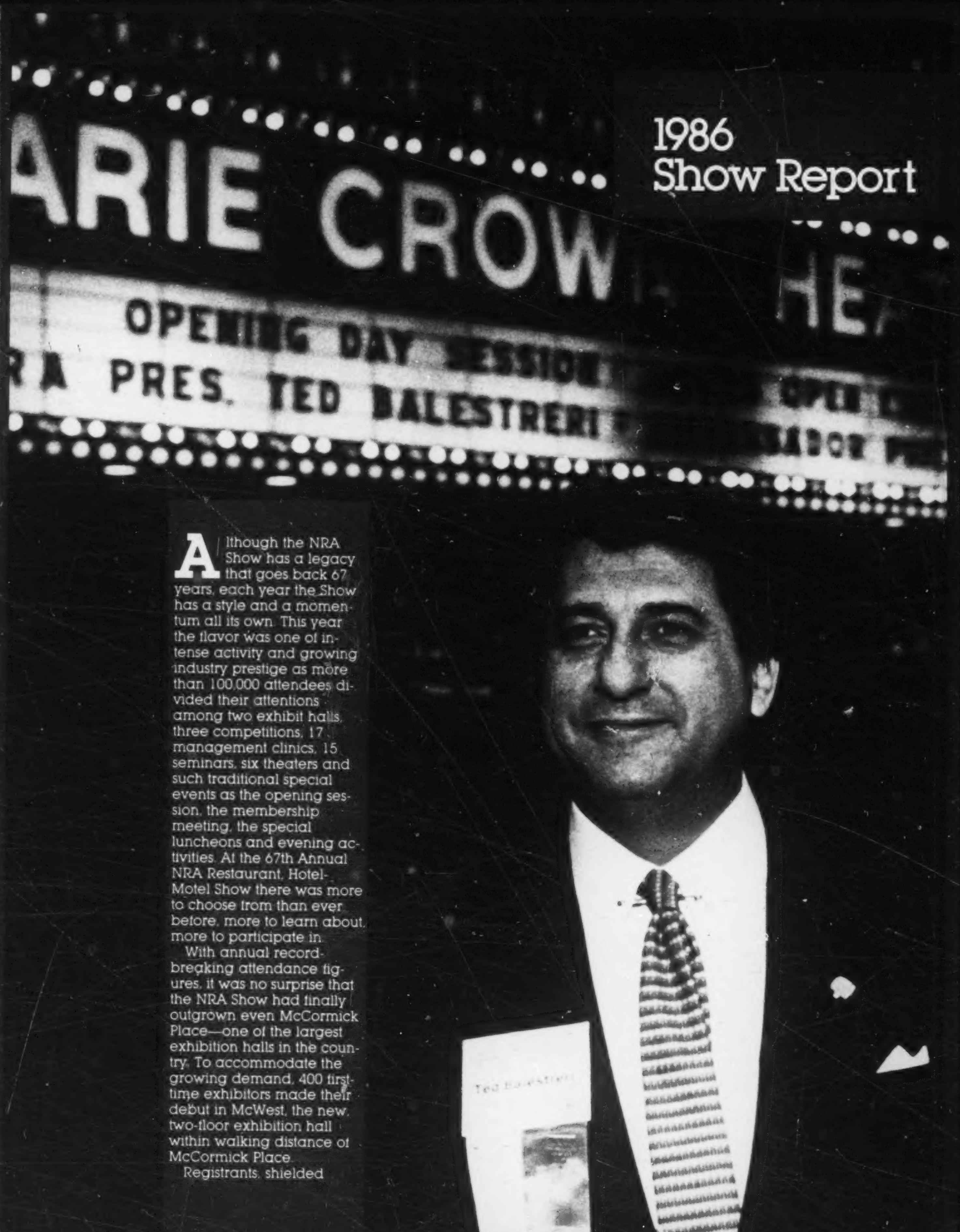
"The strategic plan has two major goals," Hasslocher said. "The first is to improve the machinery of policy making, and the second is to adjust our programs so they can meet the challenging conditions of the years ahead."

The plan outlined by Hasslocher calls for enlarging the Board of Directors, NRA's policy-making body, in order to increase its responsiveness to the association membership.

Also included are new programs in the areas of government affairs, communications, education and industry liaison.

—Dorothy Dee

1986
Show Report



Although the NRA Show has a legacy that goes back 67 years, each year the Show has a style and a momentum all its own. This year the flavor was one of intense activity and growing industry prestige as more than 100,000 attendees divided their attentions among two exhibit halls, three competitions, 17 management clinics, 15 seminars, six theaters and such traditional special events as the opening session, the membership meeting, the special luncheons and evening activities. At the 67th Annual NRA Restaurant, Hotel-Motel Show there was more to choose from than ever before, more to learn about, more to participate in.

With annual record-breaking attendance figures, it was no surprise that the NRA Show had finally outgrown even McCormick Place—one of the largest exhibition halls in the country. To accommodate the growing demand, 400 first-time exhibitors made their debut in McWest, the new, two-floor exhibition hall within walking distance of McCormick Place.

Registrants, shielded

from the blustering winds under a canopied walkway, divided their time between the two buildings not only to see, shop and discuss products and services but also to enjoy the three competitions that were taking place concurrently at the Show. At McWest, as crowds watched behind glass partitions, chefs competing in the final tryouts for the 1988 U.S. Culinary Team worked against the clock to complete world-class meals that would win the favor of the six competition judges. Even as the judges deliberated, groups of Show participants passed judgment of their own as they ate the delicacies at umbrella-covered tables. The fee at this first-ever sampling was $10 per person while seats lasted.

Only aisles away were the exquisite displays for the 16th annual NRA Culinary Arts Salon, the three-day competition, which each year continues to push the boundaries of foodservice beyond what is practiced in kitchens across the country. Operators with notebooks and cameras in hand studied the artistic entries for ideas to incorporate into their own presentations.

Back in the main building, the NRA Wine Classic returned this year to judge Sauvignon Blanc, Seyval Blanc and two kinds of Zinfandel wines. In a specially-constructed, glass-enclosed area a panel of blue-ribbon judges evaluated the merits of the wines while groups of spectators watched. Later attendees took part in a wine tasting of their own, matching their palates against those of the pros.

The opening day program, always a special attraction, this year featured outgoing NRA President Ted Balestreri, who in his inimitable style recalled the high points of his year, pausing to consider battles won and issues still to be fought. Sharing the podium with him was Philip C. Habib, America's ambassador-at-large, whose to-the-point comments won the admiration of the foodservice audience.

Of special note, too, was the annual membership meeting where the 1986 NRA officers officially took over the association reins: G. "Jim" Hasslocher as chairman of the board and president, Michael J. Grisanti as vice president and Jim L. Peterson as treasurer. Football great Mike Ditka delivered the general remarks at the meeting.

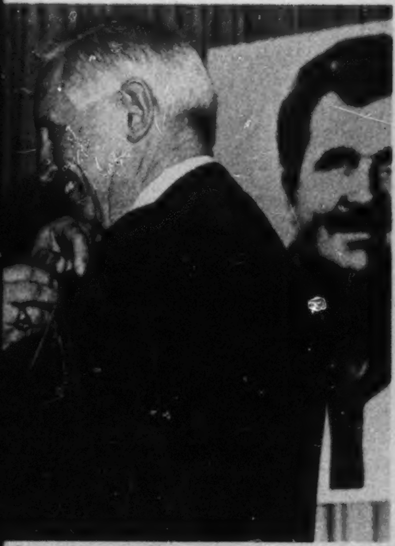
Also engaging were television news personality Diane Sawyer, who shared the spotlight with Velma Balestreri and other NRA first ladies at the First Ladies Luncheon, and four-star general Earl T. O'Loughlin who keynoted the Hennessy Awards Luncheon.

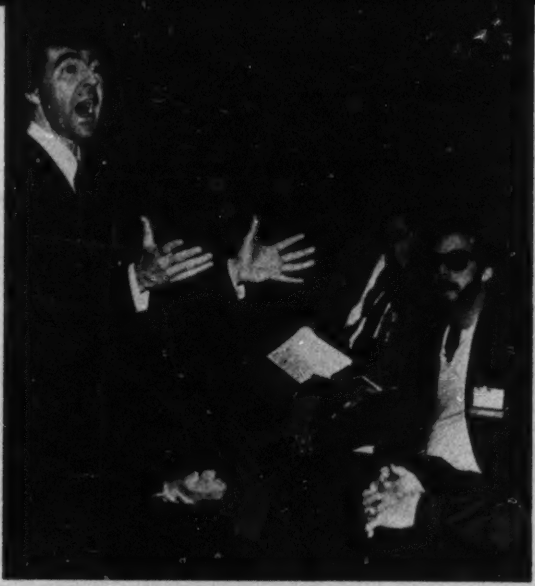
Reaffirming standards of excellence in all aspects of foodservice were the educational sessions, which looked at topics as different as charting future profits, home delivery and drug abuse in the workplace.

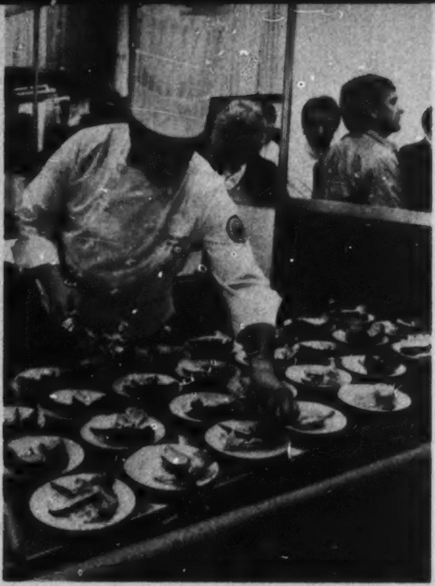
But it was not all work during the five days of the Show. After rounds of the exhibit floors and hours in educational programs, Show participants took a little time out to do what they enjoy best—visiting with their peers and swapping ideas informally. The Show's entertainment lineup offered plenty of opportunity for mingling—from the Grand Banquet which honored Jim Hasslocher to the Second Annual Political Education Fund Gala Dinner Dance to the convention capers.

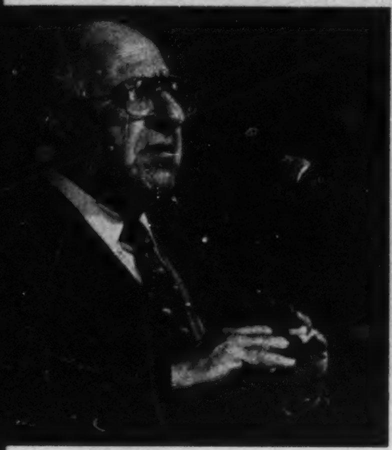
All in all, this year's Show registrants, who included 22 members of Congress and international guests from as far away as Australia, took away a firsthand glimpse of the opportunities that face foodservice today.

1 The Show attracted a record-breaking 101,130 attendees.
2 Ted J. Balestreri, 1985–1986 NRA President, turned over his office to his successor, G. "Jim" Hasslocher, at the Annual Membership Meeting.
3 Experts, celebrities and industry superstars presented more than two dozen educational programs at the Show.
4 Show attendees watched 29 contestants hard at work during the four-day hot food competition.
5 Philip C. Habib, America's ambassador-at-large and diplomat extraordinaire, was the guest speaker at the opening day ceremonies.
6 A dramatic ice sculpture carved from 20 tons of ice,
7 the Statue of Liberty welcomed show-goers to McWest.
9 Thirty of the nation's foremost wine experts evaluated three varietals at the NRA Wine Classic.
8 Hickam Air Force Base in Hawaii took top honors in the single-unit category of the Hennessy Awards.









The 1986 NRA SHOW SALUTES...
The Statue of Liberty

HOT FOOD COMPETITION

Chefs named to the U.S. team

National team

- **Lawrence T. Ryan***, Department head for culinary education, Culinary Institute of America, Hyde Park, NY
- **Mark Erickson***, Chef-manager, St. Andrew's Cafe, Culinary Institute of America, Hyde Park, NY
- **Hartmut Handke***, Executive chef, The Greenbrier, White Sulphur Springs, WV
- **Daniel Hugelier***, Executive Chef, Amway Grand Plaza Hotel, Grand Rapids, MI

Regional team

- **Thomas Catherall**, Executive chef, Cherokee Town & Country Club, Atlanta, GA
- **Carolyn Claycomb**, Proprietor/chef, Pates & Things, Columbus, OH
- **Siegfried Eisenberger***, Executive chef, Opryland Hotel, Nashville, TN
- **Ruben Foster**, Development pastry chef, Chicago, IL
- **Jeff Gabriel***, Executive chef, Grosse Pointe Yacht Club, Grosse Pointe, MI
- **David Kellaway**, Chef/instructor, Culinary Institute of America, Hyde Park, NY
- **Stacy Radin**, Pastry chef, Desserts International, Merioh, PA
- **Chris Northmore**, Executive pastry chef, Parker House, Boston, MA
- **Michael Russell**, Chef de cuisine, Travis Pointe Country Club, Ann Arbor, MI
- **Rudolph Speckamp**, Chef/owner, Rudy's 2900, Finksburg, MD

**1984 team members*

Culinary arts salon winners

Kamel Kassem of the Renaissance Club of Detroit, MI, won "The Best Piece of the Entire Show" award at the 16th Annual NRA Culinary Arts Salon for his culinary display that ranged from hors d'oeuvres to meat to seafood.

This year's event drew nearly 100 accomplished chefs, apprentices and culinary students from the U.S. and abroad as well as thousands of spectators.

Contestants, who competed in seven categories of competition, were rated on composition, presentation, originality and workmanship. Special awards were also given. The award for the "Most Original Piece of the Show," went to **Hans Peter Muesch** of Chicago's Drake Hotel for his succulent lamb—"from head to tail" platter.

The "Judge's Special Award" went to **Michael Geist,** also of Chicago's Drake Hotel. The **U.S. Army Quartermaster School at Fort Lee, VA,** garnered the "Grand Buffet Award."

The "Best Entry for a Junior Culinarian" went to **Chris R. Strike** of the Fox Valley Technical Institute in Appleton, WI.

Other gold-medal winners included:

- **Leo Waldmeier** and **Franz Kranzfelder,** The Drake Hotel, Chicago, IL, for individual hot food displayed cold
- **Manfred Uhl,** Kansas City, MO, for his individual pastry display
- **Mary Partridge,** Delgado Culinary Apprenticeship Program, New Orleans, LA; **Terry Rogers,** Hocking Technical College, Nelsonville, OH; **Paul Rozeski,** Hocking Technical College, Nelsonville, OH; and **Kim Thornton,** Johnson County Community College, Overland Park, KS, in the apprentice and post secondary schools competition and
- **John Paul Rusch,** Fox Valley Technical School, Appleton, WI, in the high school and vocational school student competition.

During the three-day cold food competition, attendees could view culinary masterpieces of every size and shape fashioned by trendsetting chefs and students trying out their culinary wings.

NRA
NATIONAL RESTAURANT ASSOCIATION
FINAL TRYOUT
FOR THE 1988
U.S. CULINARY TE

Take 29 of the country's finest chefs, seven glass-enclosed kitchens, six world-renowned judges and hundreds of pounds of ingredients, from saddles of venison to edible flowers and baby acorn squash. Stir them together, add a pinch of excitement, a touch of tension. Let simmer for four days. The result: A feast for both the eyes and the tastebuds—the Hot Food Competition at the NRA Show. The last leg of the culinary tryouts, the competition determined the 14 U.S. team members who would compete in the 1988 International Culinary Competition held every four years in Frankfurt, Germany.

For all involved this was the culmination of much hard work—years of studying, practicing and fine-tuning skills. To the contestants, the chattering onlookers and flashing cameras were irrelevant. What was important were the food, the cooking techniques and the presentation.

Tension was high, the clock ticked away and the heat was on—literally. For four intense days, some of the country's premiere chefs struggled with mystery baskets of ingredients, competitive pressures and personal anxieties.

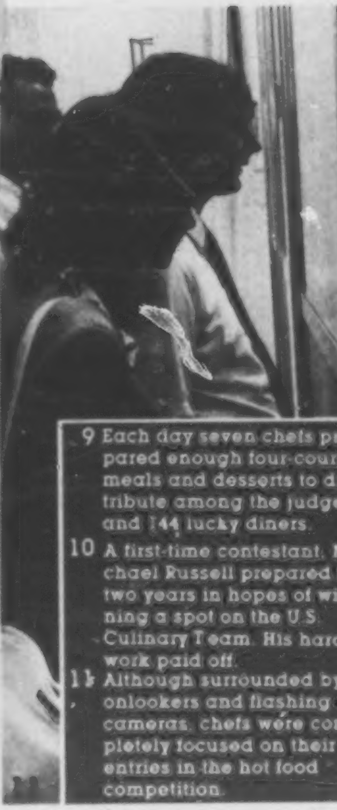
How did it feel behind those glass-enclosed walls? Step into two of the contestant's kitchens and find out. The following "inside views" share two chefs' perceptions of the challenges.

One, Michael Russell, chef de cuisine at the Travis Pointe Country Club in Ann Arbor, MI, is a relative newcomer to the competitive culinary arena. His hard work paid off; he won a spot on the regional team.

The other, Lawrence T. Ryan, department head for culinary education at the Culinary Institute of America in Hyde Park, NY, offers an old-timer's view. A member of the 1984 national team, his prior experience and performance during the competition won him the honor of being named Team Captain for the 1988 Team.

Both men competed on the same day and faced identical mystery baskets of ingredients. Included were: two veal loins, two boned-in turkey breasts, five pounds of squid, 10 pounds of mussels, 15 pounds of swordfish, two to three cornish game hens and assorted salad, vegetables and fruits.

AM
American Culinary Federation
American Academy of Chefs



9 Each day seven chefs prepared enough four-course meals and desserts to distribute among the judges and 144 lucky diners.

10 A first-time contestant, Michael Russell prepared for two years in hopes of winning a spot on the U.S. Culinary Team. His hard work paid off.

11 Although surrounded by onlookers and flashing cameras, chefs were completely focused on their entries in the hot food competition.

First-time Jitters

by Michael Russell

The hot food competition was probably the most tense, nerve-wracking thing I have ever done. I had spent two years building toward it, and there I finally was.

In the last two years, I competed in 12 shows, and just since January, I've been in five. The last two were olympic tryouts. It was up to me to decide how often I wanted to compete, but I think entering so often probably helped me. The judges saw my persistence and realized how much I wanted to make the team.

But what really helped was trying new ideas, asking a lot of questions, talking to judges and other competitors, and paying attention to their critiques. I also spent a lot of time studying. I looked at pictures of different presentations to get ideas and asked myself how I could re-create them without copying them. Soon, I was winning medals.

The night before the competition I studied, made notes and tried to visualize what I might expect. I tried to draw on my own experience, reviewing ways I create daily specials in my own kitchen. I went to bed at 10:00 p.m. but didn't sleep very well.

Food enough for 30 . . .

When I saw the food, I was relieved. The fear of the unknown is the worst feeling.

I started by doing what I always do. I made a list and wrote down all the steps I would follow. This keeps me from forgetting things when the pressure builds. I also made a list for my apprentice, telling him exactly how I wanted things done.

Deciding what to prepare wasn't too difficult because I already had several ideas in mind. For instance, I knew I wanted to prepare a ravioli. I was hoping for seafood, and I got mussels. I knew that if I took the initiative to make something extra, such as pasta, I might earn extra points. So I made herb pasta for the mussels.

For the salad, I decided to make two dressings—a red wine vinaigrette and a hot sweet and sour bacon dressing—and put each on half the salad for two different taste sensations. Ironically, I didn't even come up with the idea until about 20 minutes before the competition.

When it came to the soup course, I knew that whatever I had was going in it. I threw in all the scraps and trim and picked the meat off the Cornish game hens. I started out with about four gallons of water and reduced it down to about a gallon and a half to make it naturally rich and flavorful. It wasn't beautiful, but it was so rich you could feel it.

For the entree, I had hoped I would get veal or pork. They gave me veal. I had served vegetables in a potato cream puff at the club, but I didn't have the cheese I usually mix in. So I served the vegetables tumbling out of the puff. I had never done that before, but I will probably put it on the menu when I get home.

Under pressure . . .

Once I started, I wasn't really too nervous. I just blocked out the movie cameras and the people looking through the glass windows. Whatever the judges requested, I did. They asked for extra portions, and I made them. They wanted me to serve early, and I did that, too.

When I found out I had made the team, I was very happy but shocked. Actually, it didn't really hit me until about a week later. I'm excited because making it to the olympics is not only one of the greatest challenges available to chefs, but it also is such a great opportunity to learn. If you don't learn, you don't get better. Also, by learning more, I can teach others. That is important to me.

The second time around is easier

by Lawrence T. Ryan

During the last culinary olympics I was like a mad man—writing lists, studying and driving myself crazy. I was a wreck. Everything bothered me. I was very conscious of everyone being around. This year I could handle it better because I'd been through it before. I just phased everyone out.

A good game plan . . .

Once we got the baskets, I sat down at a table, had two cups of coffee, collected my thoughts and wrote everything down on paper. I went through in my mind how long it was going to take me to do everything and wrote down the sequence.

Based on the ingredients we were given, I decided to make a swordfish appetizer. I would have rather had sole or bass to make a forcemeat of some kind, and there weren't enough mussels to do anything for 30 servings. So I tried to do something unique with the swordfish; I grilled it with an onion confiture and tomato butter.

Ideally, I had hoped to do a consome for the soup course, but again I didn't have the right ingredients. Instead, I went with a contingency plan that used carrots. I had figured they were a staple and would be available. So I made a carrot soup and perfumed it with orange. It was "Plan B," so to speak. I hadn't made the soup before, but I was happy with it.

12

I presented a very simple salad, and apparently it caused a minor controversy among the judges. I had two reasons for doing it, though. First, I believe the purpose of a salad is to restimulate the palate. I also considered the entire menu—its complexity and balance. I had already served a cream soup and a first course with a butter sauce. So I didn't want to serve a salad with an emulsified dressing. Even though the judges were split on the salad, I'd do it the same way again because I've gained enough confidence to do what I feel is right.

I had veal last year, and I had hoped I would have the chance to do something different this year. But I didn't, and so I decided to do a forcemeat with herbs and mushrooms to get greater utilization and moistness from the meat. The judges said the dish was cooked "right on the money." I would have preferred using some kind of fish to make the forcemeat to demonstrate a greater degree of difficulty.

Generally, I was happy with the way things turned out. I think I had a good game plan. I chose things that I could do very well but that still had a good degree of difficulty. Sometimes if people haven't done this a lot, they want to make an impression; and so they overshoot their capability and end up looking bad.

Experience is a plus . . .

Experience is really an incredible advantage. Being on the team has helped me master and improve my craft at an accelerated pace. When I look back in 1982 and see how much I've improved, it's incredible. Mr. Metz has said that being on the team is worth about six years of regular industry experience because of the feedback and the serious pursuit of excellence.

I have also been trained to compete, to cope with on-site problems. Plus, I've been judged so many times I know what to expect, what the judges are looking for. All those things make it easier—not easy—but easier in terms of timing and organization.

But because I was on the national team in 1984 and am a Certified Master Chef, they also judged me a little harder. They have different expectations of me and are more critical than they might be of a newcomer.

But, the continual striving for improvement is one of the reasons I started competing in the first place. I never wanted to be the kind of person that just showed up at a job, put in the required time and went home.

When I found out I was named the team captain, I was very happy.

During the next two years we (the team) will be continually developing, refining and honing our skills and craftsmanship. We want to win the Frankfurt competition not just to come home with some medals but also to set the standard to which others aspire.

13

12 A seasoned competitor, Lawrence T. Ryan utilized his prior experience and was named team captain.

13 With concentrated attention, the competition judges carefully evaluated the entries.

Judges

- **[illegible]land,** president, [illegible] Culinary Federat[illegible]
- **[illegible]and Metz,** president, C[illegible]ary Institute of America
- **[illegible]ichard Schneider,** executive chef, Harrah's Hotel and Casino
- **Hermann Rusch,** former executive food director, Greenbrier Hotel
- **Casey Sinkeldam,** Certified Master Pastry Chef
- **Roland Schaeffer,** H. J. Heinz Co.

UP ESCALATOR TO
NRAWINE
CLASSIC

Here is a look at the 2nd annual NRA Wine Classic from the perspective of Patrick Fegan, a member of the judging panel, wine editor of Chicago Magazine and director of the Chicago Wine School.

NRA WINE CLASSIC
CLASSIC
NRA CLA

14 Show-goers could watch judges put wine entries through taste tests during the 2nd Annual NRA Wine Classic.

NRA Wine Classic 2: A Walk-Through

by Patrick W. Fegan

"Boy, what a job; some people have all the luck!" remarked a friend upon hearing that I was to be judge at the 1986 NRA Wine Classic. Luck had nothing to do with it; hard work did. The judges at this year's event were chosen because they had invested time in the study of wines and had tasted enough of them to earn a spot on this vinous S.W.A.T. (Sip, Whirl, Aerate and Taste) team. Half were restaurateurs, half were wine writers. We came from every region of the country. Our job was simple: to analyze and rate nearly 300 wines made from Sauvignon blanc, Seyval blanc or Zinfandel grapes. These we were given in coded glasses in keeping with a classic "blind tasting." In the process we went through a small number of terrific wines, a great number of middling examples and a few wines so badly made it was surprising their owners unleashed them.

The grapes involved . . .

At last year's NRA Wine Classic, the judges were limited to wines made from Pinot noir and Chardonnay grapes, the classic Burgundian (French) varieties. This year it was different. I had some input into the selection of the varieties to be judged and straightway recommended Sauvignon blancs. The grape is famous for making the classic Sancerres and Pouilly-Fumes of France: tart, very dry, usually not oak-aged or blended beauties from the Loire River Valley. The grape is also used—together with a little Semillon—to make the other great French interpretation of the variety, the dry and slightly oaky white wines of Bordeaux, the most famous of which is Graves.

Our next choice was Zinfandel, often called "California's own grape" because it is planted primarily in the Golden State. Zinfandel is vinified to resemble everything from Beaujolais, the light and fruity red wine of France, to high-octane, gritty Port-style wines. Some winemakers have tried to make a Cabernet-like wine out of Zinfandel by fermenting and aging it in the Bordeaux style. Others—especially those that buy or grow Zinfandel grapes from very old vines (50 years plus) can turn out a stunning, rich, berry-fruity and complex red wine with a style all its own. This year's "Best of Show" Zinfandel—*Mark West's "Old Vines" 1983*—is an example. Of late, winemakers have been opportunistic enough to make Zinfandel into the current hot item on the market—"Blush" wine. To make the judging easier, we separated "traditional" red Zinfandels from the "white" versions and awarded "Best of Show" wines in each category.

Lastly, came Seyval blancs. This grape is a hybrid, resulting from a cross-pollination of two or more different species. It was created by plant scientists to have the appealing flavor of the European species of grapes *(vitis vinifera),* and the ability to withstand the often too cold and too moist growing conditions of much of America outside California. Of the 60 or so varieties made in this country today, some Seyval blancs are oaky and Burgundian; some are crisp, light and dry and still others are medium dry, in the style of Riesling or Chenin blanc wines.

The standards . . .

Wine judges, like professional evaluators of any food item, look for certain standards. I, for one, look at a wine's balance, complexity, typicality and finish or aftertaste. "Balance" simply means that all the components of the wine—alcohols, acids, tannins, sugars, intrinsic flavors, etc. are in harmony, none overwhelming the others.

"Complexity" means that a given wine is not simple but multifaceted: Its flavors unfold—however subtly—one after the other to show themselves, as the French say, like "the peacock's spreading feathers."

"Typicality" means that the wine tasted as you would expect it to taste because of its origin, the grapes used, its method of production and/or aging, etc. I would rate a Sauvignon blanc-based wine highly, for instance, if it smelled and tasted pleasantly grassy or mildly vegetal—characteristics linked with that grape's wines.

Lastly, appropriately, is "finish" or "aftertaste." If I taste a wine, I'll spit most of

15 Wine Classic Judge Patrick Fegan (center) raises his glass to thoughtfully ponder an entry's flavor.

it into a handy bucket or spittoon (all the judges at the NRA Wine Classic received one) but retain a very small amount to swallow. If its flavor dissipates rapidly after I swallow it, I'll give the wine low marks for a "quick finish." If it lingers pleasantly for several seconds, I'll give it higher marks.

Add up "good balance," "marked complexity," "distinctive typicality" and "long pleasant finish" and you arrive at a Gold Medal wine.

The scores . . .

To winnow the chaff from the wheat the judges were first requested simply to "pass" a wine—in which case it was returned for further evaluation—or to "fail" it, to banish it from further consideration. This is a ruthless job, but a necessary one.

If a wine is faulty—I tasted dozens of wines which were marred by sulfur dioxide (a pungent, burnt, matchstick-like odor), improper secondary fermentations or the like—or if it is just an undeniably average wine, it must be put out of the running simply to make the tasting procedure easier. Why waste time retasting obviously faulty wines?

When we "passed" a wine, we re-tasted it later at a stage known as "medal evaluation." At that point we were asked to analyze the wine and grade it from 1 to 20, a conventional spread used by many tasting panels, but certainly not the only system. In addition, we were asked to determine whether it merited a bronze, silver or gold medal or none at all.

When the computer staff tallied all the medal-evaluation forms and came up with the gold medalist for each variety, they wheeled them out to us for the third and final evaluation to determine "Best of Show." It's at this point in any competition where stylistic differences in winemaking often lead to radically divided opinions among sophisticated palates. For instance, should the grassy, crisp Sancerre-style Sauvignon Blanc be chosen or the slightly oaky, Graves-like interpretation? Since the industry in America is so young and ever-changing, and the definitions are not clear-cut, judges of such wines are faced with some tricky decisions. For example, I like Sancerre-style wines more than Graves-style, and I may base my decision on that. But, if a Graves-style wine is better balanced than my favorite Sancerre variety, my vote about the "great American Sauvignon Blanc" in any given contest may shift.

The French long ago solved this problem by naming their crisp, unblended and grassy versions "Sancerre" or "Pouilly-Fume" while calling their softer, oakier, blended versions "Graves," and then *segregating* them at tasting contests.

The uniqueness of the NRA Wine Classic . . .

This particular wine competition was unlike any other. First, while all this philosophical questioning was going on inside our heads, we were not permitted to discuss the wines during the tastings; second, we were not alone.

NRA Wine Classic Winners

Here is a look at the 2nd annual NRA Wine Classic from the perspective of Patrick Fegan, a member of the judging panel, wine editor of Chicago Magazine and director of the Chicago Wine School.

Sauvignon Blanc

★ Best of Show ★
Buena Vista Winery 1985
Sonoma, CA

GOLD
- *Glen Ellen Fume 1985,* Sonoma, CA
- *Buena Vista 1985,* Sonoma, CA
- *Konocti Winery Fume 1985,* Kelseyville, CA
- *J. Rochioli Vineyards 1985,* Healdsburg, CA
- *St. Vrain 1985,* Salinas, CA
- *Monticello Sauvignon 1983,* Napa, CA

Zinfandel Red

★ Best of Show ★
Mark West Vineyards 1983
Forestville, CA

GOLD
- *Mark West Vineyards 1983,* Forestville, CA
- *Gundlach Bundschu 1983,* Vineburg, CA

Seyval Blanc

★ Best of Show ★
Wagner Vineyards 1984
Lodi, NY

GOLD
- *Woodbury Vineyard Prop 1985,* Dunkirk, NY
- *Wollersheim Winery 1983,* Prairie du Sac, WI
- *Wagner Vineyards 1984,* Lodi, NY

Zinfandel Blush

★ Best of Show ★
McDowell Valley Vineyards 1985
Hopeland, CA

GOLD
- *McDowell Valley Vineyards 1985,* Hopland, CA
- *Grand Cru 1985,* Glen Ellen, CA

Note: *For silver and bronze medal winners, contact the NRA communications department at (800) 424-5156 or (202) 638-6100.*

NRA purchases wine festival

During the Show, NRA Chairman of the Board and President G. "Jim" Hasslocher announced that the association had acquired the operating rights for the California Wine Festival held annually in Monterey.

The California Wine Festival is the oldest wine festival in the nation and includes an extensive wine education program in addition to wine exhibits and wine-tasting activities, featuring selections from all over the nation.

1) We did not discuss or debate the merits of any wines, even at the "Best of Show" level. We simply recorded our scores on sheets of paper to be analyzed. Although I appreciate this way of handling the contest, judges always enjoy a *little* discussion. I think that at future NRA Wine Classics "Best of Show" nominees should be subject to a limited amount of verbal interplay among the judges. It not only sets off the sometimes boring task of simple and silent scoring, but it allows for ideas to be exchanged. It also allows for facets of the wine—both positive and negative—to be brought to the attention of judges who may not have noticed them—something that happens to all judges at one time or another—thus solidifying the resulting judgment.

2) We were not alone. In most competitions there are moderators who guide the judges along a time schedule, answer questions and intervene in disputes among judges who argue for or against a particular wine. Usually no one else is present. All during our judging at the NRA Wine Classic, however, we were seated in an arena at one end sectioned off by clear glass. At regular intervals, NRA attendees were led past the arena by hostesses, who explained the judging procedures. At first I thought these intrusions would be extremely distracting to me and my fellow judges, but they were not. Once we concentrated on our job, the people moving in and out of our peripheral vision did not seem to matter.

In short, the 1986 NRA Wine Classic combined standard, professional methods with approachability. Spectators saw wine judges spit, laugh, frown, relax and taste wines seriously—scenes which stripped much of the mystery away from wine competitions. This, in the long run, can only make wine drinking in America less intimidating and more acceptable.

Wine judges

- **Richard Alberini,** Alberini Restaurant, Niles, OH
- **Wayne Belding,** Heritage House, Denver, CO
- **Dan Berger,** *Santa Rosa Press-Democrat*
- **John J. Bowen,** Johnson and Wales College, Providence, RI
- **Gerald Boyd,** *Restaurant Hospitality*
- **Kristine Curry,** *Chicago Tribune*
- **Fred Dame,** Sardine Factory, Monterey, CA
- **Nicholas F. Discheler, Jr.,** Gregory's Beef & Ale, Lafayette, LA
- **Mitchell Doolin,** The Chardonnay Bar, Chicago, IL
- **Barbara Ensrud,** *New York Daily News*
- **Gerald Buster,** The Cottage, Calumet City, IL
- **Nathan Chroman,** *Los Angeles Times*
- **Dee Coutelle,** *Chicago Sun-Times*
- **Eric Hansen,** Kapalua, Maui, HI
- **Mort Hochstein,** *Nation's Restaurant News*
- **Harriet Lembeck,** *Grossman's Guide*
- **James Nicas,** Castle Restaurant, Leicester, MA
- **Paul O'Connell,** *Daily Herald*
- **David O'Connor,** Victors Restaurant, San Francisco, CA
- **Ed Osterland,** *Restaurant Business Magazine*
- **Bill Pigatti,** Del Rio Restaurant, Highwood, IL
- **Bob Rohden,** Gegas Cafe, Chicago, IL
- **Patrick Fegan,** *Chicago Magazine*
- **Hilary Green,** *Restaurants & Institutions*
- **John Grisanti,** Grisanti's Restaurant, Memphis, TN
- **Mary Ross,** The 95th, Chicago, IL
- **Alex Sebastian,** Wooden Angel Restaurant, Beaver, PA
- **Tom Stockley,** *The Seattle Times*
- **Anthony Taylor,** The 21 Club, New York, NY
- **Steve Taylor,** *Times Picayune/States Item*
- **Madeline Triffon,** London Chop House, Southgate, MI
- **Ronn R. Wiegand,** *Wine Country Magazine*
- **Kevin Zraly,** Windows on the World, New York, NY

Three Show programs focus on employees

The real trick to personnel management is to hire the right employees from the outset. But even with the right people on your staff, productivity depends on your dedication and participation. Three Show educational forums provided valuable perspectives on employee hiring and training.

Hire right

Just as most of us are right or left-handed, we are also right-brain or left-brain dominant, explained Ned Herrmann during the Show Management Theater session, The Creative Brain. And just as a right-handed person has a different writing style from a left-handed person, a right-brain dominant individual and a left-brain dominant individual perceive and react differently.

Does all of this seem a bit removed from the foodservice business? It shouldn't. Herrmann (The Whole Brain Corp., Lake Lure, NC), explains that some job skills require right-brain orientation, others require left-brain orientation. "You should be hiring and promoting people whose jobs relate to their natural brain orientation or dominance," explained Herrmann.

The left side of the brain is believed to be responsible for logical, analytical thought processes. The right side is responsible for creative, intuitive and conceptual thought processes. According to Herrmann, a successful accountant is normally left-brain oriented—analytical, mathematical, technical. A successful television script writer is most likely right-brain dominant—creative, imaginative, emotional.

17

Left Brain A	Left Brain B	Right Brain A	Right Brain B
Logical	Controlled	Imaginative	Interpersonal
Analytical	Conservative	Synthesizer	Emotional
Mathematical	Planned	Artistic	Musical
Technical	Organized	Holistic	Spiritual
Problem-solver	Administrative	Conceptual	Talkative

Herrmann believes that matching right or left-brain dominance with job skills can often make the difference between employee success or failure. For example: Have you ever promoted an excellent waitress to a management position, only later to decide she was not "up to her new job?" She was probably an excellent waitress because she could rely on her natural right-brain-dominance skills which made her interpersonal, emotional, sympathetic and spiritual—great people skills. When you promoted her to a management position, she tried to use these same natural skills to succeed. Unfortunately they were the wrong skills. In the management position, she needed left-brain-dominance skills. She needed to be an organizer, planner, controller and problem-solver.

The right and left-brain-dominance theory should also be taken into account in communications and training, Herrmann added. Individuals with different brain dominance profiles will perceive and process the same message differently. You must gear your message to the profile of your trainees. You may want to take a factual approach for the left-brain-dominant staff and a storytelling angle for the right-brain group.

No person uses one side of the brain exclusively. All our thoughts move back and forth between the two sides, but a dominance develops as we mature. According to Herrmann, 30 percent of the dominance is genetically determined—we are born with it—and 70 percent is affected by our environment.

To help us identify ourselves and our staff, Herrmann has broken his dominance theory into four categories—two for left-dominance profiles and two with right-dominance profiles.

Fire takers

Have you ever classified the people who work for you? At the NRA Show Management Clinic, "Look Who's Wrecking Your Business," Joe Charbonneau (The Performance Group, Dallas, TX), suggested you do it and then quickly get rid of the workers who don't measure up. He estimates that 87 percent of potential employees could destroy your business.

Charbonneau believes that all workers can be classified as one of four types—

- Winners
- Achievers
- Unmotivated (those who just make it through the day, week, month, year life) or
- Takers.

"You should identify the unmotivated and the takers and give them their walking papers before their attitudes discourage customers and infect the rest of your staff," Charbonneau suggested. He added that takers are takers for life, and that no training or motivational techniques can make them anything else. Some unmotivated people are capable of becoming achievers. Job history and interviewing will allow you to identify the hopeful candidates.

You don't need a sophisticated questionnaire to categorize your employees or potential employees, Charbonneau said. By just listening closely during an interview, you will be able to weed out the takers and the unmotivated.

Charbonneau estimates that 27 percent of the workforce are takers, 60 percent are unmotivated, 10 percent are achievers and three percent are winners. By learning quickly to identify the achievers and winners, and then investing time and money in them, you can build long-term success, Charbonneau maintains.

18

The *unmotivated* will usually talk about what they would like to do some day, yet their resume will confirm that they have been doing the same thing for years. You may hear a lot of "I wish I could . . ." and "Someday I'd like to, but. . . ."

The *takers* are harder to identify and may pass through the interview undetected, although a quick conversation with a former employer could clue you in. Listen for comments that suggest they don't respond to directives, that training does not change behavior, etc. The takers are clearly in it for themselves. They will talk in terms of money, not opportunity. They won't switch a shift with someone unless it's clearly to their benefit.

Achievers like to get the job done. They do it for the sense of accomplishment as much as for the monetary rewards. They like to suggest solutions to prob-

Surplus Show food goes to Chicago's needy

For the third consecutive year, NRA has donated surplus food from the NRA Show to the Greater Chicago Food Depository to distribute to the needy in the Chicago area. As in the two years preceding, food company exhibitors donated their leftovers to the depository, which redistributed the items to more than 500 charitable agencies.

lems, and they set realistic goals for the future. They prefer jobs in which they are given the opportunity to think and participate in decision making.

Winners focus on results. They are problem solvers as well as dreamers. They ask question after question; they are curious. They are not restricted by "the way things have always been." They are constantly testing and trying new ideas. Charbonneau warns that these attributes are often viewed in the wrong light. Employers overlook the winners by labeling them as different, weird or unusual.

The first step to long-term success, concluded Charbonneau, is to hire the winners and the achievers.

Keep employees on track

Once you have hired the right people for the right positions, their job performance and productivity is your responsibility. "Even the best possible employees cannot work up to their potentials without training and continuous reinforcement," explained Bruce Raterink, Carl Karcher Enterprises, Anaheim, CA, during the Management Clinic session, "Are Your Counter People Counterproductive?"

Getting results from your staff means setting standards, communicating expectations, training for the details, correcting deficiencies and reinforcing progress.

The key elements are establishing and demonstrating workable standards and monitoring and analyzing performance. Raterink emphasized that employees will perform at whatever level you accept regardless of what the initial standards-training provides. The real standards are what is happening day-to-day in the dining room and in the kitchen. It is up to you to ensure that those day-to-day standards are the proper ones. Raterink warned, "Once managers or supervisors lower their standards to get through a rush, the standards can be considered lowered for good. Therefore, standards, to function efficiently, must be workable at all times."

Analyzing performance is also essential to maintaining productivity. "Every operation should have a system for performance evaluation and feedback," Raterink suggested.

17 "You should be hiring and promoting people whose jobs relate to their natural brain orientation or dominance," explained Ned Herrmann (The Whole Brain Corp., Lake Lure, NC) during his "Creative Brain" program.

18 Anthony Athanas (Anthony's Pier Four, Boston, MA), Jerry Burns (The 21 Club, New York, NY) and N. Lee Comisar (Maisonette, Cincinnati, OH) shared their business philosophies in an "upclose" session moderated by Thad A. Eure (The Angus Barn, Raleigh, NC).

19 Joseph H. Lodge, former U.S. Drug Enforcement Agent, discussed how drug problems in the workplace can be detected and handled effectively.

20 Educational programs offered operators the opportunity to discuss problems, swap solutions and brainstorm competitive strategies.

No Main Course Race

THE MAIN COURSE 10K RACE
SPONSORED BY THE NATIONAL RESTAURANT ASSOCIATION
CANCELLED

The Main Course race was cancelled this year due to unfavorable weather conditions. The race's medical director Dr. Steve Weinberg recommended that the race be called off due to the windchill factor of 20° and the runners' possible exposure to hypothermia. Weinberg feared that since many runners came from other parts of the country and expected warmer weather, they were not prepared for the distance (10 km) under cold-weather conditions. Since the race was in conjunction with the NRA Show, it could not be rescheduled. However, most souvenir gift bags to runners and all the you-don't-have-to-run-to-win prizes were drawn and distributed. The grand prize trip to Hawaii went to Brian T. Chapman of Chicago, IL.

To express its appreciation to the runners and regrets at having to cancel the event, the National Restaurant Association sent a letter of apology to all race registrants, enclosing a coupon for a complimentary entry in next year's race.

Members of Congress visit Show

Twenty-two members of Congress—21 representatives and one senator—joined NRA for an in-depth look at the foodservice industry at this year's Show. Launched in 1984, the "congressional visits" program has informed these lawmakers about the important role the foodservice industry plays in our nation's economy.

The response to the program has been overwhelmingly positive. "It is an excellent opportunity for members of Congress to become better versed about the foodservice industry," remarked Sen. Thad Cochran (R-MS). "It is also commendable that industry leaders seek this opportunity to learn more about the legislative process and effective means of communicating with their legislators."

A tour of the Show floor was one of the highlights of the congressional visits. Accompanied by foodservice executives from their home states, the congressmen met exhibitors and operators from their districts.

With their first glimpse of the Show floor, the congressmen were astonished at the size and scope of the foodservice industry. "It was the most informative and enlightening time I have ever experienced in relation to a particular industry," said Rep. Bob McEwen (R-OH). Rep. Joe Kolter (D-PA) concurred, adding, "I was surprised to

At the Grand Banquet, G. "Jim" Hasslocher, the 1986–87 NRA President and Chairman of the Board, was welcomed by his native Lone Star State flag and enthusiastic guests, such as Paula and Michael Grisanti (new NRA Treasurer).

21 Rep. John Rowland (R-CT) visited with Ted Balestreri at the PEC Gala.

22 Sen. Thad Cochran (R-MS), left, Ted J. Balestreri, center, and Dick Marriott, right, at the Political Education Fund Gala.

23 Sen. Thad Cochran (R-MS), right, stopped at the Culinary Arts Salon with Rose Cochran and Bill Latham.

24 Rep. Bob McEwen (R-OH), second from right, sampled entries in the hot food competition with his wife and Mr. & Mrs. Dick Marriott.

25 The many faces of Rich Little entertained 400 guests at this year's Political Education Fund (PEF) Gala Dinner. PEF, which reached the targeted $285,000 mark, provides honoraria to members of Congress who speak at industry affairs and funds government affairs reference books.

26 Representatives of Economic Laboratories, Inc. (White Plains, NY), one of 21 special sponsors donating $7,500 or more to the NRA Political Education Fund, enjoyed the festivities at the benefit dinner.

learn how many jobs are directly and indirectly related to the foodservice industry. The best thing about the National Restaurant Association's exposition was that it taught me very much about this important industry in a way that was easy, effective and will have a lasting impact. It is one thing to pour over studies and articles, but to actually see some of the developments and to engage in conversation with actual principals is the best learning method I can think of. It's too bad other groups don't have the same approach."

The members were also treated to a special luncheon prepared by finalists in the Hot Food Competition, they toured the intricate displays at the Culinary Arts Salon, and they were entertained by renowned impressionist Rich Little at the NRA Political Education Fund Dinner.

The value of the experience is echoed in these comments by Congressman John Rowland (R-CT):

"The first thing that startled many of us when we first got to the NRA Show was its size and scope. We kiddingly referred to a couple thousand people participating only to find out the number was closer to 100,000 participants. As I walked through the exhibition halls, I was able to see not only the large volume of employees that would be affected in all of our congressional districts but also the diverse employers that are involved in the foodservice industry—ranging from food suppliers to equipment manufacturers.

"I visited with some particular companies in my district that I never thought would be related to the foodservice industry. One sells silverware and the other sells equipment used in kitchens. I was able to realize the magnitude of the restaurant industry and the effect it has on all of our districts. I know it will occur to more and more members of Congress to come to the Show so that we can have a fuller realization of the issues that will affect our constituents."

NRA Show floor: More space for one-stop shopping

The NRA Show floor always mirrors operators needs and consumer interests. This year was no exception—but there was a bonus as well. The Show expanded to the new McWest Exhibition Hall, located west of McCormick Place and the McCormick Center Hotel, bringing 400 first-time exhibitors to the Show and making room for more special attractions, which were split between the two buildings. The Culinary Arts Salon and the final tryouts for the 1988 U.S. Culinary Team took place in McWest while the NRA Wine Classic was held in McCormick Place.

More than 100,000 registrants walked between the two exhibition halls, surveying the showcased products and services that could give them a competitive edge in the year ahead. There were time-honored products operators have come to expect as well as developments that have been designed to respond to industry trends and challenges.

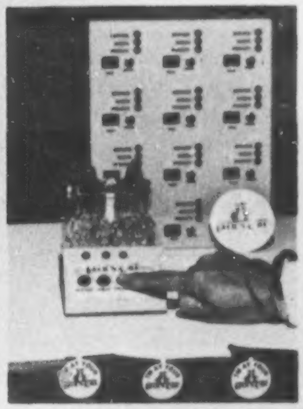
With menu specials growing in popularity, for example, it was not surprising to find that this year's Show offered alternatives to the standard black and white chalkboard. Several exhibitors displayed lighted menu boards, which combine the ease of a blackboard with the excitement of neon colors.

Show attendees also could learn about a new wine education program; compare Cajun flavorings; taste low-sodium, low-fat stocks and bases; inquire about overnight delivery services for fish; pick up quantity recipes for foods ranging from lean beef to papaya, sample premium ice creams prepared to order with special fillings, admire handcrafted room dividers with acquaria and learn about Australia's answer to the hot dog—the Dinkum Dog.

But it wasn't only the new or the unusual that operators found at the NRA Show. What they found depended on what they came for. As in years past, this year's Show, with nearly 1,600 exhibits, offered one-stop shopping—everything an operator could possibly need to open a restaurant or update an existing operation—all available under two roofs.

PIZZA EXPRESS

Pay Phones
Southwestern Bell Telephone
29



32

27 Thanks to the latest fiber-optic technology, illuminated blackboards create menu announcements in luminous neon-like color.

28 For the first time, delivery trucks were exhibited on the floor.

29 Among the new products greeting attendees on the Show Floor were eye-catching pay-phone options for restaurants.

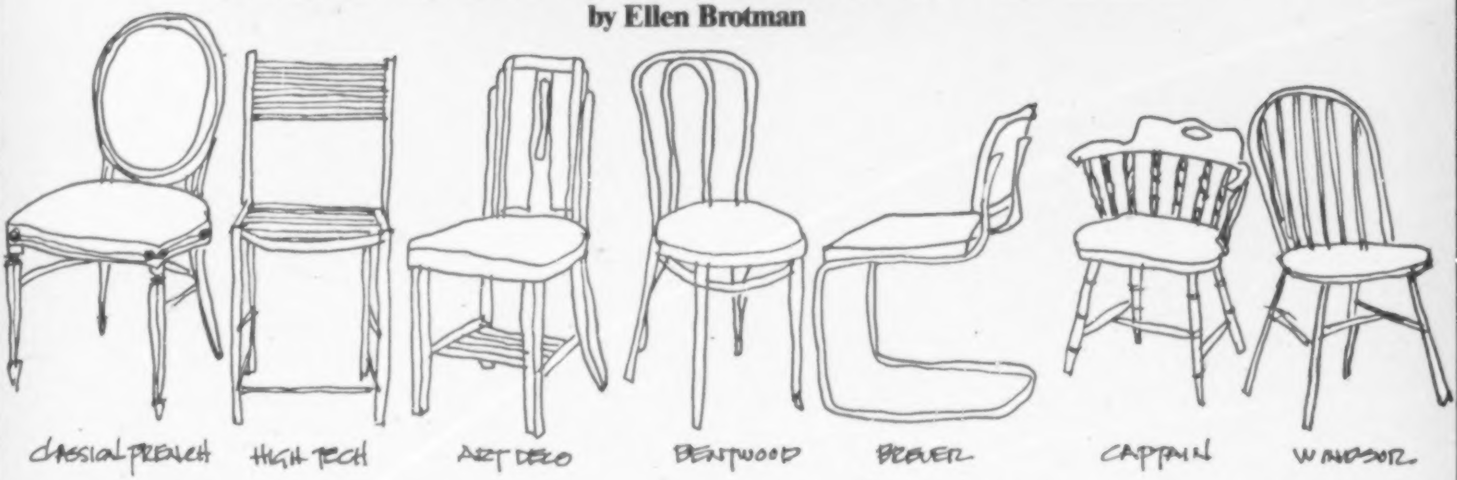
30 Now waiters and waitresses can truly be at the "Beck 'N Call" of their customers. With this computer control unit integrated into the table top presentation as a salt and pepper holder, customers can press one button for service, one button to request the check and another for privacy. Indication lights signal the service staff from master panels located throughout the facility.

31 Almost 1,600 exhibitors representing all aspects of the foodservice industry, showcased their products on the NRA Show Floor.

32 The Show presented a tempting array of choices in all areas, especially food.

CHAIRS
Not Just Another Seat

by Ellen Brotman



There are armchairs, armless chairs, highback chairs, and swivel chairs, wood chairs and metal chairs in literally hundreds of different designs and styles to choose from. How do you select the right chair for your restaurant? When you choose a chair, you must consider certain key factors, such as design, style, comfort and cost (and not necessarily in that order).

Keep in mind that a chair is but one part of the entire design package, and should be in keeping with the image, design and style of the restaurant as a total entity. Given a specific theme or style, such as Early American, classical French or Italian, High Tech or Art Deco, it is relatively simple to select an appropriate style chair.

A more transitional decor seems to pose the most problems probably because there are too many choices. I have found that at those times it is best to go back to basics. The classical *bentwood* chair comes in all shapes and sizes, and depending on the specific frame finish and upholstery fabric, can work easily in just about any type of restaurant. The tubular steel *Breuer* chair is also an excellent choice. This chair with its sled base works beautifully in large open multi-seating spaces and eliminates the cluttered, "leggy" look. Both of these chairs have clean lines, good proportions and a lightness of scale.

Scale is a term used to describe the visual size of an object. For instance, given two chairs of equal size, one may *appear* smaller or larger than the other. The popular *captain's* or mate's chair is about the same size as a *Windsor* chair, but the Windsor type appears much lighter.

Many options in frame finishes . . .

Once the style has been determined, you need to review frame finishes and upholstery fabrics. Chair frames are usually made of metal, steel or wood. Chrome and/or brass are the most typical metal choices.

Wood frames are versatile. They can be used in their natural tones or they can be stained, dyed or painted (lacquered).

Although no chair is maintenance free, stained or dyed frames tend to be easier to clean and/or repair because the finish penetrates the wood. Dyed frames, by the way, allow you to use an unlimited range of color options. They are marvelous for rooms with paneling or wood floors. Lacquered chairs have become very popular choices as well. They, too, come in a variety of colors. The richness of a finely lacquered chair can add beauty and elegance when used in the proper setting.

Regarding upholstery fabrics, just about anything goes, providing a high quality stain-repellent finish is specified. The exceptions would be a drapery-weight cotton (for obvious reasons) or any solid, light-colored material. Of course, vinyls are always a safe bet for fast food or heavily trafficked properties, and they are available in a variety of new textures and colors.

Choosing for comfort . . .

Selecting a comfortable chair is difficult because what feels good to one person may feel uncomfortable to another. While most patrons prefer armchairs, there are situations where they cannot be used because of space and/or budgetary constraints. Also, you may purposely not want a chair to be too comfortable in those properties where a faster turnover is expected. When in doubt, order a sample chair or two to test beforehand.

Finally, how much should a chair cost? If you pick up a typical restaurant chair catalogue and peek at the price list, the price range could be anywhere from $80 to $500 per chair, depending on its style, type and finish. Furthermore, given what "appears" to be the same chair, the price could vary as much as 30 percent from one manufacturer to another. However, in this instance, the old adage usually rings true: "You get what you pay for." ❑

Ellen Brotman is president of Ellen I. Brotman Interior Designs, Inc. in Fairfax, VA, specializing in restaurant interior design and individual consultation.

UNIFORM

MORE THAN JUST CLOTHES

U ing up with interior design. Restaurateurs are realizing that how their employees look influences not only the way they feel, but also how customers respond to them and their restaurants. That is why today's uniforms are being designed to communicate a restaurant's ambiance as clearly as does the carpeting, tabletop design and wallpaper.

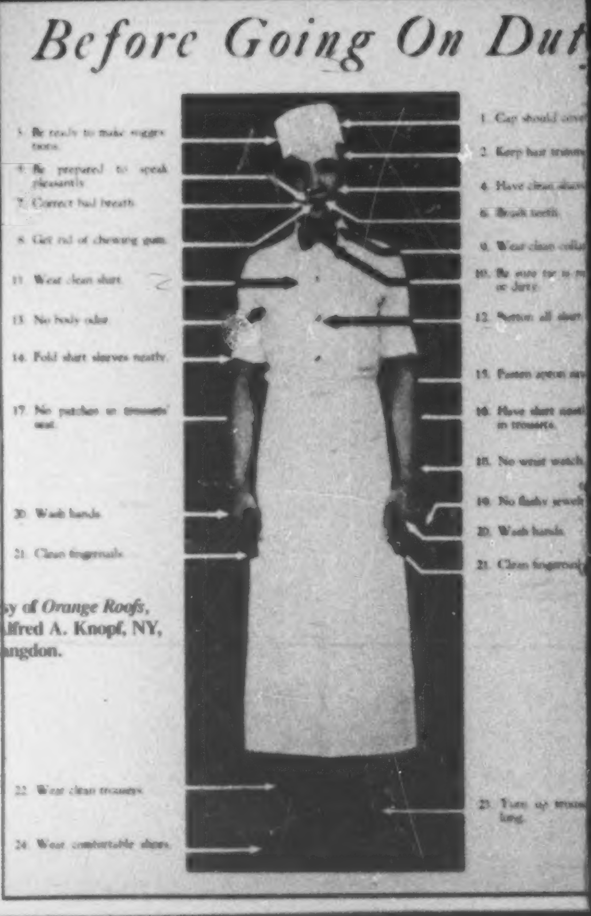
Uniform trends . . .

Operators are moving away from traditional styles toward more up-to-date looks, reports Marsha Hischke, head designer at Uniforms To You & Co. in Chicago, IL.

"The challenge," she says, "is to create uniforms that blend in with the decor but still make a statement." Some of the ways restaurateurs are meeting that challenge include:

- **Artwear.** Using logos and restaurant names has long been a part of uniform design. Today, operators are taking that concept one step further and are creating uniforms with specially designed artwork that reflects a restaurant's overall atmosphere. For instance, at America, a 350-seat eat-

Life-like displays at the Show created eye-catching uniform exhibits.


Before Going On Dut
3. Be ready to make suggestions.
5. Be prepared to speak pleasantly.
7. Correct bad breath.
8. Get rid of chewing gum.
11. Wear clean shirt.
13. No body odor.
14. Fold shirt sleeves neatly.
17. No patches in trousers' seat.
20. Wash hands.
21. Clean fingernails.
22. Wear clean trousers.
24. Wear comfortable shoes.
1. Cap should cove
2. Keep hair trimme
4. Have clean shave
6. Brush teeth.
9. Wear clean colla
12. Button all shirt
15. Fasten apron se
16. Have shirt neatl in trousers.
18. No wrist watch
19. No flashy jewel
20. Wash hands.
21. Clean fingernai
23. Turn up trous long.

Reprinted courtesy of *Orange Roofs, Golden Arches*, Alfred A. Knopf, NY, 1986 by Philip Langdon.

Uniforms To You and Co., is developing new looks for the 80s.

ery in New York, NY, new uniforms will echo various aspects of the decor. Campshirts are being printed with an engineered design that reflects such signatures as the restaurant's Statue of Liberty mural to the restaurant's black and white tiles and pastel hues.

- **Sophisticated touches.** While many uniforms still have their roots in formal wear, conservative looks are being brightened with skinny ties, tapestry and plaid cummerbunds, neon bow ties and suspenders and non-traditional fabrics.

For example, at Cafe Ba-Ba-Reeba, a 345-seat Spanish tapas restaurant in Chicago, IL, the uniforms pair short burgundy paisley jackets and bright narrow ties with conservative dark pants. The uniforms reflect both the restaurant's "Old World" influence and its festive "today" atmosphere.

- **Paralleling fashion trends.** Shirts and blouses are in step with fashion trends, ranging from soft feminine looks to rugged campshirts with a "safari" feel and oversized shirts, which have long "tails" in the back, large sleeves and small collars. Elan, for example, a 240-seat restaurant and lounge in Atlanta, GA, is using dressy, black oversized shirts accented with bright gold metallic belts to suggest a casual but sophisticated nightclub look.
- **Individualized accents.** Even when a restaurant sticks to a well-recognized theme or idea, there is plenty of room for innovation. The Hard Rock Cafe, a 350-seat casual eatery in New York, NY, with sister units in Los Angeles, CA, London, England, and other cities, features a basic 1950s look with jazzy personal touches.

Waitresses wear traditional white uniforms with bright red embroidered names (diner-style), but they are encouraged to add their own accents—jewelry, buttons and pins—to reflect the restaurant's eclectic collection of star-studded memorabilia.

- **Specialty aprons.** Even aprons, a familiar standby, are being used more creatively. Restaurateurs are drawn to their flexibility—one size fits all—and adaptability. "Many restaurants are ordering the aprons for special parties or catering events," says Kathryn Gale, owner of Kathryn Gale of Beverly Hills, CA, whose company specializes in imaginative aprons. New directions for apron design include tuxedo aprons with bow ties and carnations, Hawaiian-influenced prints with "built in" leis and executive-looking styles with ties and pocket handkerchiefs.
- **New fabric options.** New blends of fashionable, yet durable, fabrics are broadening uniform options and sparking an emphasis on natural fibers and textured looks. For instance, there is growing interest in a poly-rayon blend that looks just like linen—but doesn't wrinkle.

Sweaters also have become more practical for uniform wear, thanks to new yarns which have more color continuity and durability. Consequently, brightly-patterned sweater vests, cardigans and other novelty knits are becoming popular in restaurants emphasizing casual but coordinated looks.

Other current fabrics include high-count cottons, knits and silk-looking jacquards.

- **More color.** Stronger, more resistant fabrics are making it possible to use a wider spectrum of colors than in years past. They even make white tones an option. Designers are therefore able to suggest uniform colors that blend in with a restaurant's decor. Popular choices include pastels, such as mauves, peaches, seafoam greens and desert tones. Often these are mixed with stronger tints, such as slate grays or hunter greens for contrast.

Even within one color scheme, however, more variety has become commonplace. Staff may be dressed slightly differently to identify positions or to create visual interest and personality.

Practical considerations . . .

Creating a signature look is important, but uniforms must also be practical. Here are some factors to consider when ordering uniforms:

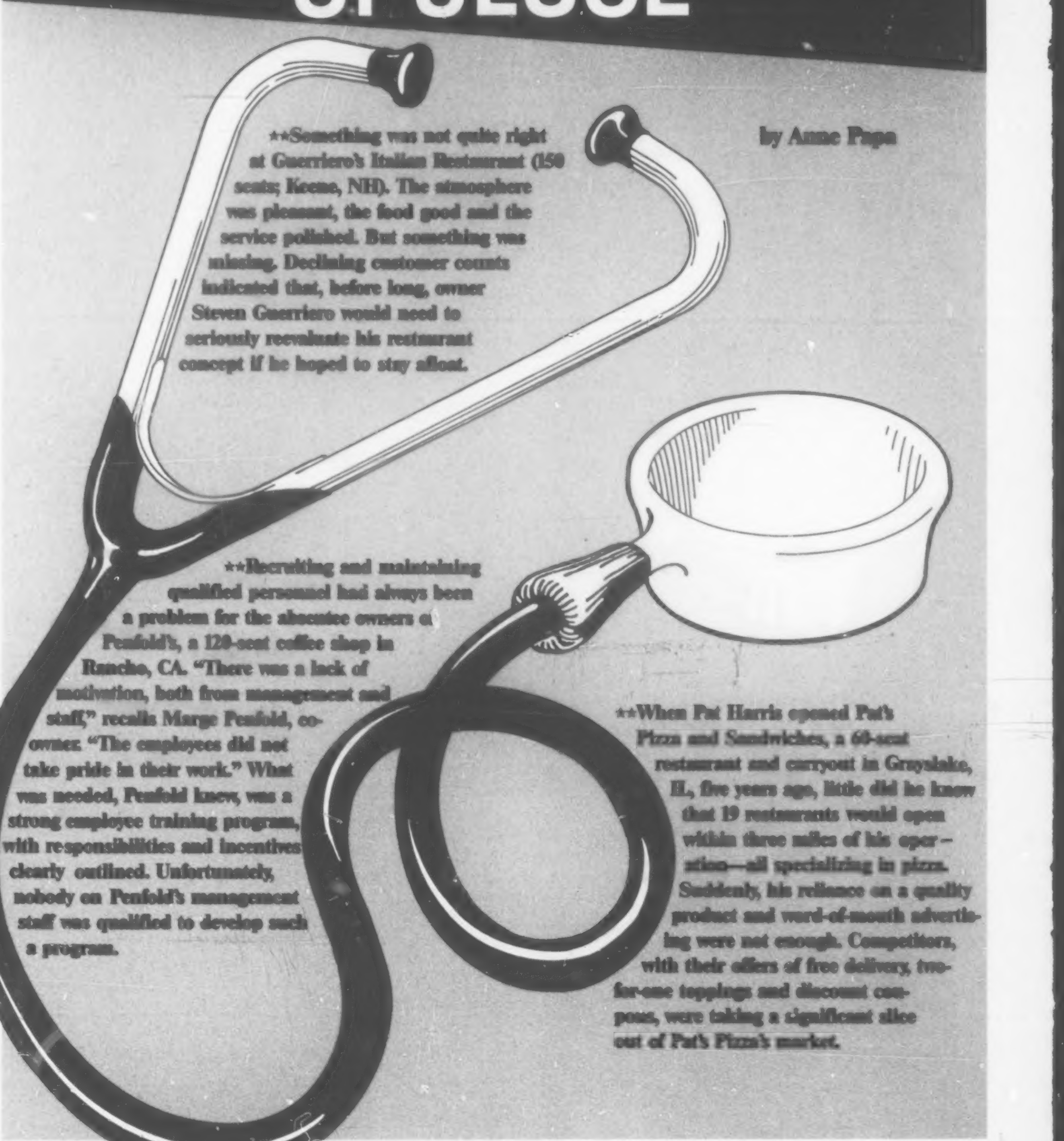
- **Durability.** Uniforms should last between two to three years. Because they are worn frequently, they should stand up to continual washings and daily wear and tear. Check for such desirable items as underarm guards, eyeletted buttons, reinforced stitching, extra-large pockets and two-button adjustable cuffs.
- **Fabrics.** Fabrics should be sturdy, colorfast, non-fading and Sanforized. Insist on materials that are stain and wrinkle resistant.
- **Size.** Try to choose styles that look good on different sizes and shapes. Dresses with well-defined waistlines, for instance, are harder to adapt to a variety of sizes; two-piece outfits offer more flexibility. To avoid ordering the wrong sizes, ask manufacturers for their measuring charts and specifications. Uniforms that come in general sizes—small, medium and large—are most practical and will help keep inventory down.
- **Staff input.** Before choosing a new uniform design, run your ideas past your employees. After all, they should feel comfortable in the style and cut. By making your staff feel part of the decision making process, you are also assuring their acceptance of your restaurant's new image—an enthusiasm that will be communicated to your guests. ☐

—Cecelia Niepold

Calling In Help

THE CLIENT/CONSULTANT RELATIONSHIP UPCLOSE

by Anne Papa



**Something was not quite right at Guerriero's Italian Restaurant (150 seats; Keene, NH). The atmosphere was pleasant, the food good and the service polished. But something was missing. Declining customer counts indicated that, before long, owner Steven Guerriero would need to seriously reevaluate his restaurant concept if he hoped to stay afloat.

**Recruiting and maintaining qualified personnel had always been a problem for the absentee owners o Penfold's, a 120-seat coffee shop in Rancho, CA. "There was a lack of motivation, both from management and staff," recalls Marge Penfold, co-owner. "The employees did not take pride in their work." What was needed, Penfold knew, was a strong employee training program, with responsibilities and incentives clearly outlined. Unfortunately, nobody on Penfold's management staff was qualified to develop such a program.

**When Pat Harris opened Pat's Pizza and Sandwiches, a 60-seat restaurant and carryout in Grayslake, IL, five years ago, little did he know that 19 restaurants would open within three miles of his operation—all specializing in pizza. Suddenly, his reliance on a quality product and word-of-mouth advertising were not enough. Competitors, with their offers of free delivery, two-for-one toppings and discount coupons, were taking a significant slice out of Pat's Pizza's market.

The problems faced by these three operators were distinctly different. Yet all three used the same technique to solve their problems—and all are now operating successful businesses. What Guerriero, Penfold and Harris each did was to hire an outside consultant.

"Bringing in a consultant was one of the most important business decisions I have ever made," avows Steve Guerriero. "I regard the day [the consultant] came on board as the turning point in my restaurant."

Consultants are called in to provide a variety of services—from the most general, such as concept development and long-term planning to the specifics, such as marketing, training or promotions. (See "How to Plug into the Consultant Network," ***NRA NEWS***, November 1985 for further service ideas.) But regardless of their expertise, qualified consultants invariably bring three basic elements into the foodservice operation:

- **Time.** "One of the biggest complaints I hear from my clients is that they don't have the time to do what needs doing," says Denise Minchella, president of the Hospitality Company, a consulting firm based in San Francisco, CA. "By bringing in a consultant to help in a specific area, an operator can concentrate on the day-to-day aspects of running his business without worrying that he's neglecting anything." Not only is staff time saved while a consultant is tackling a project, but also often there are long-term time savings, resulting from the efficient programs.
- **Expertise.** Years of industry experience, exposure to all types of operations and extensive, ongoing research all contribute to a consultant's expertise. Recalls Steve Guerriero, "Initially, I was worried that an outsider coming into my business couldn't really understand my situation, not knowing the business climate in Keene as I did. But it wasn't long before I realized the consultant I hired had been to more Keene's than I'll ever visit. Almost instinctively, he was able to define my market and how I should position my business."
- **Motivation.** In many cases, an operator may already recognize what changes are needed in his establishment but may simply need someone to say, "Do it." "Often the best service I can provide my clients is to reinforce ideas they already have," maintains Ron Plummer, president of Plummer Associates/DHB, a New York-based consulting firm, and the man credited with helping Steve Guerriero turn his business around.

And if a consultant's positive reinforcement does not prompt action, his or her price tag will. Charles Smith, owner of C.S. Goodberry's (Arvada, CO; 750 seats) remarks, "When you bring in a consultant it generally means that business is down and money is tight. So you figure, 'If I'm paying this extra expense at a time when I can least afford it, I'd better get my money's worth. I'd better follow through on the plans developed.'"

Choosing a consultant . . .

The decision to hire a consultant is frequently made during a period of declining sales. Often there is no obvious reason for the downturn. You are working just as hard as always and following your standard operating procedures. Yet, for some reason, your business is in a slump or is headed into a slump. What has gone wrong? Your concept? Your marketing strategy? Your staff?

Pat Harris of Pat's Pizza recalls wrestling with these questions a couple of years ago when, motivated by the increased competition in his market area, he expanded his carryout business into dining and delivery. "I realized at that point that we needed guidance to grow profitably," he recalls. "It was a question of survival."

So Harris did what many operators do when shopping for a consultant—he began attending seminars sponsored by the National Restaurant Association. "I asked a lot of questions, particularly of other attendees who might recommend someone," he says. Finally, he attended a seminar conducted by Tom Feltenstein, president, American Restaurant Marketing Group, based in Miami, FL. "I found the messiah I was looking for," he says. "Nobody seemed to have an immediate grasp on my business situation and my need for a marketing strategy as well as Tom did."

In fact, many consultant-client relationships have developed through national or state restaurant association contacts. Bill Kozlak, owner of Jack's Cafe, (600 seats; Minneapolis, MN) recalls first hearing about consultant Denise Minchella, whom he eventually hired, on the NRA Show floor. "I was interested in developing an employee training program at Jack's," Kozlak explains, "but I didn't have time to do it myself. So I went to the Show and asked around. The name I kept hearing was Denise Minchella."

But not all consultant and operator meetings are planned. When Kristen Sierra, owner of the Savoir Fare consulting firm in Kirkland, WA, first encountered Southern Accents, a 38-seat restaurant in nearby Redmond, WA, she was simply a customer coming in for dinner. But she fell in love with the place and soon began making suggestions to co-owners Lisa Dupar and Patsy Carmichael about ways they could improve their visibility—by cutting down a large tree which blocked their entrance sign, for instance, or by decorating a backyard gazebo as a "Santaland" during Christmas to attract families.

But no matter how the client-consultant relationship is formed, it relies on one primary ingredient to make it work—chemistry. (See sidebar) The consultant must recognize in the client a willingness to experiment and a readiness for change. And the client must choose a consultant who respects his business philosophy and shares his vision. Says Denise Minchella, "The consultant and client work very closely together on a project, from start to finish. If there is no chemistry between them, it just won't work."

Working with a consultant . . .

How do the client and consultant define their working relationship, once it is established? How do they determine the consultant's responsibility to the client? And, most importantly, how does the consultant ultimately effect a positive change in the client's operation?

Clearly, much depends on the situation. A closer look at the three examples cited at the beginning of this article illustrates how different the services provided by the consultant might be.

★★At Guerriero's Italian Restaurant, consultant Ron Plummer came to Keene for an initial meeting and determined that an entire concept change was needed. Guerriero's market appeal was simply too limited. It only attracted Keene residents who liked Italian food in an upscale setting. By broadening the menu to include non-Italian items and by adding a light touch to the decor and atmosphere, Guerriero's would become popular with many other segments.

"Plummer's ideas were right on target," says Steve Guerriero.

Step one was changing the name of the restaurant from Guerriero's Italian Restaurant to Cafe Guerriero. "Ron felt the new name communicated a more casual atmosphere and a new menu that isn't strictly Italian," says Guerriero.

Step two was changing the menu itself by adding light fare items, such as salads and gourmet burgers. To emphasize the restaurant's family orientation, Guerriero decided he wanted to add a children's menu—so Plummer designed a menu on a brown bag, which could be filled with crayons and other small toys.

Next came a redesign of the restaurant's interior. "Our entrance looked foreboding," recalls Guerriero, "and the bar was situated in a cramped corner." Following his intuition and Plummer's suggestions, windows were added to the front wall, the bar was moved to the center of the dining room and the mauve color scheme gave way to forest greens and tans.

The result of the overhaul? "Sales at the restaurant have increased 25 percent since last fall," says Guerriero proudly.

★★At Penfold's Restaurant, consultant Denise Minchella was brought in to handle just one area of operations—employee training. Marge Penfold recalls that Minchella first came to the restaurant to watch employees as they interacted with customers, managers and each other. From these observations and from employee interviews she developed a program tailored to Penfold's needs. She then introduced the program, conducting training sessions for both management and staff.

"Basically, the program clarified job responsibilities, outlined performance standards and provided incentives for outstanding work," explains Penfold. And to overcome the natural resentment employees' had toward an outsider restructuring their job responsibilities, Minchella incorporated employee ideas into the program. "On her initial visit, she asked staff members, 'How would you run the perfect restaurant?' " recalls Penfold. When she returned with the finished manual, employee ideas formed a big part of the program."

According to Penfold, the benefits of Minchella's work can easily be measured by the better attitude, improved salesmanship and new spirit of teamwork among the restaurant's staff. In fact, each time there is a significant staff turnover at Penfold's, Minchella is called in to conduct orientation training sessions and to motivate the new crew members.

★★In Pat Harris' case, consultant Tom Feltenstein was brought in to handle one specific area—marketing—but ended up influencing other aspects of the business. "At our initial meeting, Tom, my wife and I locked ourselves in a hotel room for three days, and we analyzed our business from day one," recalls Harris. "It was clear that with our increased competition we needed a strong neighborhood marketing plan. But Tom also urged a new look, a new menu and an organized training manual."

Feltenstein gave Harris a three-month deadline in which to accomplish a set of marketing objectives they outlined together. At the end of those three months, they met again to discuss the plan's progress. During the intervening three months Harris had stepped up frequency of ad placement in local newspapers, tracking results to determine which paper reached most customers; switched his advertising emphasis from "giving away" his product—free delivery, free toppings, etc.—to "showcasing" his product with descriptive ad copy and illustrations; updated the restaurant's logo and redesigned the menu.

"The results of these changes in only three months were phenomenal," says Harris. "And they would not have happened if Tom hadn't been just a phone call away. With his help, I was able to make Pat's Pizza the front-runner in our market area." By the end of 1985, Harris reports, sales at Pat's Pizza had increased 29 percent over the previous year.

Keeping up the momentum . . .

Although many consultants keep in touch with clients after a project is completed, through follow-up phone calls, mailings and even occasional visits, it is up to the restaurateur to follow through on the consultant's suggestions and to keep up the project's momentum.

"When the consultant's work is done, your work is just beginning," notes Steve Guerriero. ☐

Chemistry: making the client/ consultant relationship work

As with personal and social relationships, the client/consultant interaction relies on chemistry to make it work. Here is a look at some qualities that promote a good working relationship:

The client should . . .	**The consultant should . . .**
*be straightforward about his business troubles without trying to gloss them over	*use tact and diplomacy when evaluating the client's business
*state his expectations upfront	*make no promises he cannot keep
*be open to suggestions even if they mean a departure from the way business is usually conducted	*respect the client's ultimate decision-making authority
*be organized and clear during meetings and phone conversations, recognizing that time is money to the consultant	*adhere to project deadlines determined by the client
*treat the consultant as a team member, not an outsider	*work with the client as part of a team

Beef Update

NEW DEVELOPMENTS IN BEEF PRODUCTION

by Claire Regan, R.D.

The move toward leanness that has swept the nation has begun to affect the livestock industry. The short, fat, prize-winning cattle of the 1950s would not stand a chance at this year's state fairs. Today's contestants are considerably leaner and taller, with longer legs and bodies. Livestock producers are responding to Americans' health concerns. They are making an effort to produce a leaner product to reverse the movement away from red meat.

Americans' taste for red meat began to wane during the 1970s as consumers became more educated about the relationship between diet and disease. Deaths from heart disease peaked in the mid 1960s, and this prompted health professionals to recommend a lower fat diet with leaner meats and alternatives, such as fish, poultry and pasta. As a result, consumers are demanding beef with less fat.

This trend also affects meals ordered in restaurants. A recent NRA survey on restaurant nutrition revealed that 64 percent of those polled said they would be very likely to order lean meats in restaurants. Meat suppliers are also beginning to notice more of a demand for leaner cuts by foodservice operators.

Claire Regan, R.D. is research manager, nutritionist for the National Restaurant Association.

Lower fat meats are popular . . .

In the 1950s a retail cut of beef without a fat layer was considered inferior. Today, excess fat is undesirable because it is considered wasteful and unhealthy. Industry experts believe that trimming outside fat to one-half inch on retail cuts of meat could increase sales from four to six percent. Some predict that one-half inch "trimmable fat" will soon replace the industry standard of one inch. Until then, wholesalers are generally willing to accommodate special requests for one-half inch to one-quarter inch trim or no surface fat.

There are other indicators of the growing popularity of lower fat meats. Meats from the U.S. "Choice" and "Good" grade categories are characteristically leaner than U.S. "Prime" and are increasing in acceptability. Plus, retailers have been responding to consumer demand for lean meat by offering cuts produced by separating muscles in groups. This technique removes a greater amount of intermuscular fat. In addition, some wholesalers are marketing non-traditional cuts from different body parts. For instance, strips and tips from the hip can be even leaner than those from the loin. They are slightly tougher but comparable in flavor, and they are reported to be good sellers.

Beyond the retail level, cattle producers have also made changes resulting in livestock with less fat and leaner meat. Today's advances in lean cattle production have been accomplished solely through adjustments in breeding, nutrition and improved management techniques—not through growth hormones and drugs. Grain-fed cattle have about six percent less fat than 30 years ago; this translates into an estimated 75-pound increase in lean meat per head.

Diets higher in protein and fiber also tend to inhibit fat development in cattle as do changes in feeding times. Specific feeding times, as opposed to constant access to food, may produce leaner cattle.

Newly developed varieties of beef are beginning to penetrate the market. Brae, Key-Lite and Beefalo are examples of specially-fed cross breeds that tend to be lower in fat and calories than meat from mass-produced cattle. Brae, for instance, averages 84 percent less fat and 43 percent fewer calories than comparable cuts of ordinary beef. It comes from a conventional Black Angus breed, but herds are fed differently than most cattle. Key-lite (or Chianina) is actually a descendent of a traditional Italian breed. Although the cholesterol content is not substantially lower than regular beef, key-lite has 25 percent less fat and 36 percent fewer calories. Beefalo is a man-bred cross between a bison (for leanness) and conventional cattle (for tenderness and flavor). This relatively new beef averages 80 percent less fat and 55 percent fewer calories than standard beef cuts.

Some of the techniques used to raise these cattle are relatively innovative and all do not produce equally flavorful meats. Cost, too, can be a deterrent to adding cuts from these new breeds to your menu. Prices range from about $5 a pound for ground sirloin to close to $20 per pound for filet. Presently production of low-fat breeds is limited, and it may be best to look for a local producer or to order from one who distributes through the mail.

USDA takes action . . .

In an effort to reflect these new developments in livestock production, USDA recently reevaluated the nutrient composition of beef. USDA had been using nutrient information derived from research done during the 1950s, which represented the livestock, retail practices and laboratory techniques of that era.

The most significant difference between the old and new data is the fat content of beef. The new data show that beef of the 80s is considerably lower in fat than that of 30 years ago, but close to half of the fat remains saturated.

Also, USDA recently revised its policy on fat, lean and light claims for meat and poultry products. The new policy closes the loopholes that allowed high fat products to be labeled lean or low fat based on comparison with an arbitrary standard. The regulation applies to packaged whole, fresh cuts as well as processed meats, such as sausages, hot dogs and cold cuts. Manufacturers have a year to comply with the new rules, outlined below. Although foodservice operators will not be directly affected by the new regulations, you may notice the terms being used on the products you are purchasing.

The terms "lean" and "low fat" may be used only on meat and poultry products with no more than 10 percent fat. A product labeled "extra lean" will contain no more than five percent fat. All products with an emphatic claim must disclose the actual

Comparison of select nutrients
(6-ounce cooked portions)

	Calories	**Fat grams**	**Saturated fat grams**	**Cholesterol milligrams**
Skinless chicken, roasted	282	12.6	3.5	152
Batter fried chicken with skin	470	29.5	7.8	148
Flounder, baked	237	2.0	0.5	104
Beef roasted (1980s data)	384	18.8	8.4	146
Beef, roasted (1950s data)	611	51.0	25.0	142

Sources: National Livestock & Meat Board and USDA.

Leaner beef cut values
(6-ounce portions, trimmed and cooked)

	Calories	**Fat grams**	**Saturated fat grams**	**Cholesterol milligrams**
Eye of round steak	316	12	4.6	118
Ground round	321	11	4.6	155
Top round steak	332	12	4.2	144
Tip roast	334	14	5.2	138
Sirloin steak	370	17	6.6	150
Top loin steak	364	17	7.2	130

Source: National Livestock and Meat Board, *Meat Nutri-Facts.*

THE STEAKHOUSE ENTERS A NEW ERA

For better or worse, the typical American steakhouse isn't what it used to be. Whether rapidly or gradually, steakhouses are adapting to changes in American taste. More and more operators are aiming for a broader image to identify with the family market rather than with any particular kind of food, although some luxury-class steak houses are thriving.

Chains and independents that are staying within the steakhouse category are increasingly softening the image by creating many menu options. Already, the steakhouse that offered the diner only one alternative to steak seems a relic of another age.

The changes are most dramatic in the budget sector, where companies are revamping their decor, menus and advertising. The Bonanza chain, based in Little Rock, AR, has done away with Western motifs of picnic tables, branding irons and barbed wire—a look developed in the 1960s when the craze for television westerns swept the country. Instead, the contemporary decor features light wood panelling, stained glass and brass fixtures.

The "Hoss Special" and "Little Joe Special" of yesteryear have given way to "Freshtasticks." More than a salad bar, it offers fresh fruits, soups, hot vegetables, nachos, desserts, soft serve ice cream. A new line of homestyle sandwiches has also done very well.

Completing the transformation is a name change, from Bonanza Sirloin Pits to Bonanza Family Restaurants. A new logo, to be introduced in 1987, will publicize the chain's diversified menu: "Steak, chicken, seafood, salads."

The white tablecloth steakhouses have updated their image in more subtle ways, often merely by altering the balance of menu items.

The Angus Barn in Raleigh, NC, for example, has simply added a few seafood dishes. To make sure the swordfish, lobster tails and shellfish are as good as the beef, the company bought an interest in a local fishing company.

By baking its own bread and creating interesting vegetable accompaniments, the Angus Barn tempts customers into making steak or seafood part of a well-balanced meal. Many customers now complete the meal with a free apple plucked from an enormous barrel in the lobby.

—Toni Lydecker

amount of fat either as a percentage or as grams.

Meat labeled "leaner" or "lower fat" must be 25 percent lower in fat than one of three standards: the USDA standard for the product, current market basket data (representative of similar available products) or the values from USDA food composition tables. The use of the USDA standard will be permitted only if it represents the majority of products in the marketplace. Products using comparative claims also must provide quantitative information about fat or lean content and compare it to one of the three standards noted above.

Terms such as "light," "lite" or "lightly" may be used on meat and poultry products with significantly fewer calories, fat, salt, sodium, breading and/or other component than found in a similar product. A "significant reduction" is defined to be at least 25 percent lower than one of the three standards outlined in the previous section. ❑

NEW TRIMMED-DOWN BEEF DISHES

Many restaurants are finding they can satisfy customers' desire for lighter food, without eliminating beef from the menu, by serving beef in innovative and attractive ways. Beef that is sliced paper thin and fanned out on a plate often has wider appeal than a large steak covering half the plate. Best of all, the diner consumes only four to six ounces of beef.

The ideas presented here come from *The Lighter Side of Beef.* For a free copy of the booklet, which contains large-yield recipes, contact the Beef Industry Council, 444 North Michigan Ave., Chicago, IL 60611 (312) 467-5520.

- **Cajun blackened stripsteak.** Thin-sliced steak is coated on the outside with Cajun spice mixture, then cooked quickly in a red-hot skillet. Spicy and crunchy on the outside, the meat is tender and flavorful inside.
- **Fajitas.** Thin strips of steak are marinated, grilled quickly and arranged on tortillas with lettuce and guacamole.
- **Pepper steak salad.** Steak strips are marinated in oil, garlic and red wine, then stir fried. Serve warm or cold in pita bread or salad.
- **Texas longhorn pizza.** Pizza is brushed with barbecue sauce, then topped with slices of barbecued beef and mozzarella cheese.
- **"Slight bites."** Canapes combine ¼–½ ounce of roast beef with capers, caviar, avocado or watercress on a cracker.

Ginger-orange beef

serves four

1 lb. beef top round steak
⅛ cup orange juice
⅛ cup soy sauce
1½ tspns. cornstarch
1½ Tbs. grated orange peel
1 Tbs. freshly grated ginger or
1½ tspns. ground ginger
1 tspn. cinnamon
2 tspns. vegetable oil
1 carrot, sliced
1 green bell pepper, sliced
1 red bell pepper, sliced
¼ lb. snow peas, trimmed
¼ cup sliced water chestnuts
1 head iceberg lettuce, shredded

Trim outside layer of fat from steak. Slice steak into thin strips. Mix soy sauce, orange juice, cornstarch, orange peel, ginger and cinnamon. Pour over steak.

Heat one tspn. oil in large non-stick surface skillet until hot. Add beef. Stir-fry over high heat until browned, about 3 minutes.

Remove beef to plate.

Add remaining tspn. of oil. Add all vegetables except lettuce. Stir-fry vegetables until crisp-tender, 3 to 4 minutes.

Return beef to skillet. Cook, stirring constantly, until beef is hot.

Place lettuce on serving plate; top with beef mixture.

—Beef Industry Council

Beef in tortillas

serves four

1 lb. beef top round steak
1 tspn. oil
1 onion, chopped
1 clove garlic, finely chopped
¼ to ½ tspn. liquid red pepper sauce
½ tspn. salt
4 flour tortillas
¼ cup chopped parsley
1 large tomato, chopped
1 large zucchini, sliced
Sour cream, garnish
Chile salsa, garnish

Trim outside layer of fat from steak. Slice steak into thin strips; cut into squares.

Heat oil in large, non-stick surface skillet until hot. Add beef. Cook quickly, stirring constantly until beef is browned on all sides (about 4 minutes). Stir in onion, garlic, red pepper sauce and salt. Heat to boiling; reduce heat and cover. Simmer 10 to 15 minutes or until beef is tender.

Wrap tortillas in foil; heat in 350° oven until warm, about 5 minutes.

Stir parsley into beef mixture. Add tomato and zucchini, cover. Cook just until hot, about 4 minutes.

With slotted spoon, place about one cup beef mixture in each tortilla. Serve each tortilla with sour cream and chile salsa.

—Beef Industry Council

TECHNICAL SERVICES

by Robert E. Harrington

Characteristics of major foodborne diseases

Part III of a four-part series

Many health departments are preparing to implement a new concept in restaurant inspection that emphasizes time/temperature control of potentially hazardous foods throughout the preparation cycle. This series introduces a streamlined version of that program called SAFE (Sanitary Assessment of Food Environment). SAFE can protect your business against an outbreak of foodborne disease by helping you identify, control and monitor the critical points in your food handling and preparation system.

In the first two parts of this series we discussed how the SAFE program establishes critical control points to prevent contamination and limit bacterial growth.

In this article we will examine the unique characteristics of the disease organisms you will be controlling: where they come from, how they grow and which ones form heat-resistant spores or toxins. This information will help you devise effective controls for some of the more frequently reported foodborne disease agents.

A look at Salmonella . . .

Most foodborne diseases infect the tissues of the digestive tract, resulting in gastric distress: nausea, vomiting, cramps and diarrhea. Probably the best known of the infectious intestinal organisms is *Salmonella* (especially since the 1985 Salmonella outbreak in milk in Illinois which affected several thousand persons). Salmonella produces fever, vomiting, diarrhea and abdominal pain. The disease usually lasts several days, unless the bacteria burrow through the intestinal wall and cause more serious effects. Severe diarrhea can lead to dehydration or other secondary conditions, some of which can be fatal.

Many wild and domestic animals are naturally infected with Salmonella, and the bacteria are shed in feces. Insects, rodents and birds spread Salmonella in their droppings, therefore effective pest control must be part of your SAFE program. Poultry is frequently infected, and slaughter practices increase the level of contamination. You should regard any piece of raw poultry as a potential carrier of Salmonella, and anyone who handles raw poultry must thoroughly wash their hands before touching other food. Utensils and work surfaces (knives, cutting boards, counters, etc.) must be washed and sanitized after poultry use to avoid cross-contamination to other foods. Salmonella is also often found in other raw meats as well as on and in eggshells.

Infected human carriers may have mild illnesses or no symptoms at all and still shed Salmonella in their stools. That is why personal hygiene is such an important control for this organism. Obviously, an employee with diarrhea should not be allowed to handle foods or clean utensils, and you may wish to request medical clearance before an ill employee returns to work.

Salmonella is susceptible to temperature control. Rapid chilling to 45°F or less and hot storage above 140°F will inhibit growth. Cooking to 165°F in the *center* of foods will kill Salmonella. However, the dry conditions on the surface of large roasts may allow some survival, so added moisture in the form of roasting bags, foil wrap coverings, water pans, etc. will improve the kill rate.

Other infectious intestinal organisms . . .

Shigella is an intestinal organism similar to *Salmonella* but its source is infected workers. Control is based on good personal hygiene, keeping ill workers off the job, quickly refrigerating foods below 45°F, heating foods to 165°F and holding hot foods above 140°F.

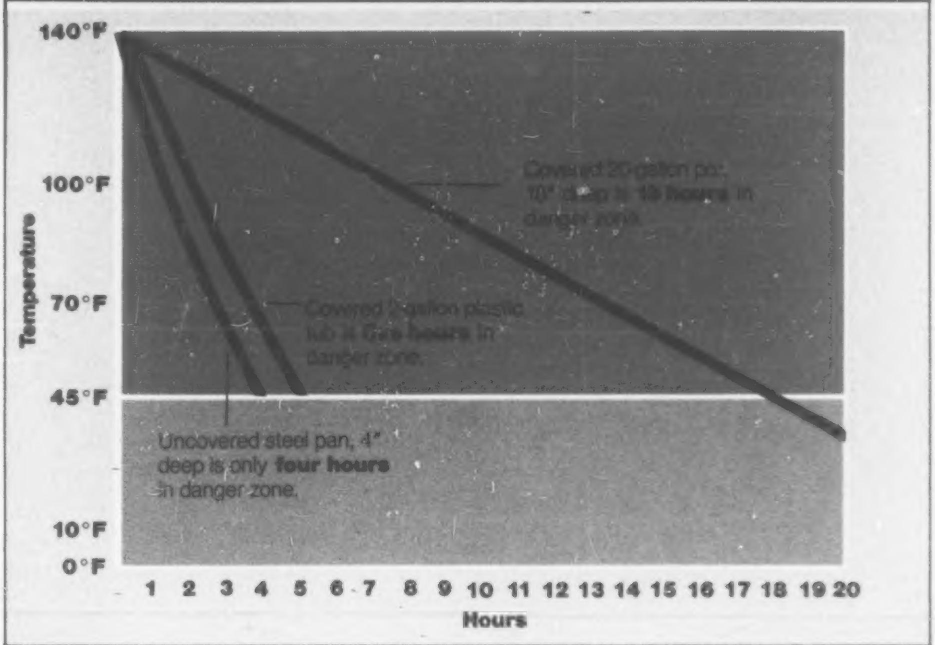
Campylobacter is a common contaminant of raw meats and poultry. Control points must stress personal hygiene, thorough cooking and rapid chilling to prevent multiplication.

Vibrio parahaemolyticus is a contaminant of fish and shellfish, including shrimp and crab. Good refrigeration and thorough cooking are necessary for control of Vibrio. Raw or undercooked seafood may also transmit worms or other parasites. Reputable sources, careful inspection of shipments, freezing and thorough cooking are the most effective control points.

Staphylococcus (staph) produces a toxin which causes violent, explosive vomiting and sometimes diarrhea one to six hours after it is ingested. Because the illness is caused by a toxin, not infection, there usually is no fever. Although the symptoms only last for a day or two, they are so severe that exhaustion and dehydration can produce serious aftereffects. Staph is sometimes found in bruised poultry, but its primary source is the nose and throat discharge of humans, along with infected cuts, burns and boils. Thus, good personal hygiene is the first line of defense

Robert E. Harrington is assistant director of technical services and safety for the National Restaurant Association.

Effect of different sized storage containers on cooling rates of refrigerated food



against Staph contamination. Workers with infected cuts or burns should be excluded from food handling as should those with viruses and colds, as coughing and sneezing spread Staph. Frequent and thorough handwashing will reduce the numbers of Staphylococcus that get into foods.

Staph is a poor competitor, and may not grow well if other organisms are present. If a cooked food is recontaminated by Staphylococcus, the bacteria grow explosively when the food cools slowly between 140°F and 45°F. Staph also grows well in foods with high concentrations of salt or sugar, such as ham and custards, so these foods need careful refrigeration.

However, the bacteria produce a heat-stable toxin which is not destroyed by cooking temperatures. So you cannot count on heating alone to protect against Staph. Your controls must include prevention of contamination through good hygiene and rapid cooling to 45°F to prevent growth. Staphylococcus is often implicated in cases where large quantities of food, such as chili, are allowed to cool slowly in large masses for several hours. During this slow cooling, the Staph toxin is formed, and it cannot be inactivated by even the most vigorous reheating.

Chilling foods rapidly in small, shallow pans cuts the exposure time by more than 75 percent and deprives Staph or other bacteria of the time they need for growth.

Botulism can be fatal . . .

Botulism is another foodborne disease caused by a toxin. *Clostridium botulinum*, the causative organism, is commonly found in soil or dirt, and raw vegetables are often contaminated. This microbe forms tough spores which are not destroyed by normal cooking temperatures; and when these spores germinate at favorable temperatures, they produce the toxin. The nervous system is poisoned, resulting in dizziness, double vision and paralysis. Botulism can be fatal.

Luckily the bacteria do not grow rapidly in acid foods (below pH 4.6) or at refrigerator temperatures below 45°F. In addition to these limits, the microbes can only grow in the absence of free oxygen. In the past, Botulism was associated with vacuum-sealed canned goods, especially non-acid home canned products. But recent outbreaks have been linked to potato salad and sauteed onions; spores survived the initial cooking, then slow cooling in large masses allowed incubation under anaerobic (no oxygen) conditions.

Control of Botulism involves using only commercially canned products, holding cooked foods above 140°F and rapidly cooling to less than 45°F in shallow containers, preferably less than four inches deep.

C. Perfringens is another anaerobic spore-former. It causes lower intestinal distress, with pain, cramps, gas and diarrhea. Raw meats are often contaminated so it is important to prevent cross-contamination from raw to cooked foods. Most outbreaks are associated with meats, stews, sauces, gravies, etc., which are cooled slowly in large masses or inadequately reheated. There are several critical control points, including holding hot foods hot (above 140°F) to prevent growth. Chill foods rapidly to below 45°F to limit growth and reheat rapidly to 165° to destroy the bacteria.

Rapid reheating does not mean slow warming . . .

Rapid reheating does not mean slow warming in a steamtable or bain-marie. These appliances are designed to hold foods which are already hot. Using them to heat a cold product may prevent scorching, but it also encourages bacterial growth. To raise food temperature quickly, use range tops, conventional or microwave ovens and limit the time in the danger zone between 45°F and 140°F.

Bacillus cereus is found in soil and dust. It causes nausea, cramps and diarrhea. It grows well in custards, puddings, sauces and cooked grains, especially rice. As with many other disease bacteria, control rests mainly on rapid chilling in small quantities.

Scombroid fish poisoning is associated with dark meat fish, such as tuna and mackerel. When fish are not refrigerated, *Proteus* bacteria can form waste products, which cause intense headaches, dizziness, nausea, vomiting, facial swelling and itching. The toxic material is not destroyed by cooking. It survives boiling for more than an hour, so control must be through

SAFE flowchart to prevent Salmonella transmission by roast chicken

Critical handling points that need to be met	Corrective actions if critical points are not met
Delivery: USDA inspected Arrives in sound condition Temperature less than 45°F	(Reject shipment)
Storage: Refrigerate below 45°F Do not allow contact with other foods	(If refrigerator is above 45°F, move chicken to functioning unit. If product is above 45°F for 2–4 hours, discard. If other foods are contaminated with raw chicken fluids, discard)
Preparation: Minimize time exposure at room temperature	
Hygiene: Employees wash hands, clean and sanitize utensils before handling other foods	(If other foods are contaminated with raw chicken fluids, discard)
Cooking: Roast until center temperature = 165°F and joints show no blood	(Continue cooking until center = 165°F)
Chilling: Separate or bone using clean and sanitized utensils and cool in shallow pans to 45°F within 4 hours	(If chicken has not cooled to 70°F in 2 hours, agitate and transfer to freezer. The product must reach 45°F within 4 hours)
Reheating: Reheat rapidly to 165°F in center	(If chicken has not reached 165°F in center, do not serve)
Hot holding: Store above 140°F internal	(If product temperature falls below 140°F, reheat to 165°F)

conscientious refrigeration of fish—from the time of the catch to the use in the kitchen.

Many other seafoods also can cause illness from a variety of naturally occurring toxins or biological contaminants. Your best control is to buy only from approved, reputable sources, inspect the shipment closely before accepting delivery and retain shipping tags as proof of the source. Reject any shipment that shows signs of temperature abuse. The flesh should be firm, the gills should be bright red, the eyes should be firm and protruding and there should be no offensive odors. The maxim, "the nose knows . . ." remains a legitimate yardstick for freshness.

Fungi are primarily spoilage—rather than pathogenic—organisms. The most familiar fungi are the white molds on some cheeses or the blue-grey-green "fuzz" on fruits. Molds grow best in moist conditions, such as in refrigerators or wet grains, but they are capable of growing on virtually any food hot or cold, salty or sugared, acid or alkaline.

A few of the molds are beneficial, such as those which produce Roquefort or blue cheese; but by the time most molds become visible, they have literally spoiled the food. Molds' digestive products impart "musty" flavors, and some molds produce toxic or cancer-causing substances. FDA has approved trimming moldy cheese under very limited circumstances. But for safety's sake and to avoid flavor and quality losses, you should examine your inventory-rotation and shelf-life policies and should rotate stocks quickly enough to prevent mold growth.

Other mold control is based on cleanliness and good housekeeping. Keep work and storage areas clean and reduce the numbers of mold spores in the air. Since many species of mushrooms contain deadly poisons, you should use only commercially grown mushrooms from a commercial supplier.

Yeasts can also be beneficial, as in fermenting alcoholic beverages and in leavening doughs but, like molds, they are most often spoilage organisms. They can usually be recognized by gas bubbles, and the smell or flavor of alcohol in the food. Discard any food so affected. Cleanliness, housekeeping and inventory control, especially rotation, are again your best controls.

In sum . . .

There are literally hundreds (perhaps thousands) of species of bacteria, viruses, molds and chemical poisons that can turn a delicious meal into a vehicle for disease. Although each organism has its own unique niche in life, with special growth characteristics, your critical control points can prevent microbial growth. Careful, critical emphasis on the three broad areas of SAFE food handling is the most reliable way to prevent foodborne disease. To reiterate,

- **keep it clean**—prevent contamination by separating raw and cooked products, insisting on good habits of personal hygiene and using clean, sanitized utensils in your operation.
- **keep it hot**—heat potentially hazardous foods rapidly, cook thoroughly, hold above 140°F and reheat to 165°F.
- **keep it cold**—chill foods rapidly in small shallow containers to 45°F or less.

Next issue: Applying the principles of SAFE.

Nutrition continues to affect restaurant choices

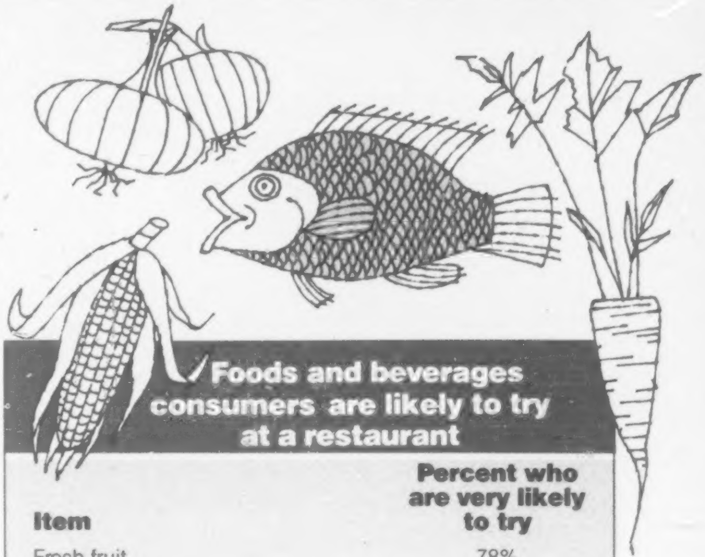
This article highlights results from several research studies, which confirm that consumer interest in health and nutrition is not only a trend that is here to stay but one that continues to influence America's eating out behavior.

Recently some observers have said that the interest in health and nutrition and in nutritional offerings at restaurants has decreased or that only a relatively small, insignificant group of consumers is interested in such things. The results of two Gallup surveys* conducted for the National Restaurant Association in August 1983 and March 1986 suggest that this is not the case. In addition, a recent in-depth consumer attitude and behavior study has provided NRA with the means to segment, or divide, consumers according to their attitudes and behavior regarding health and nutrition. Even more importantly, NRA has been able to gain insight into how these concerns affect different consumers when they make restaurant choices.

Interest in health and nutrition remains undiminished . . .

During the two and one-half years between the two Gallup surveys, interest in health and nutrition and its effect on eating out remained undiminished. Six out of 10 consumers reported they had changed their eating habits at home both in 1983 and in 1986, and four out of 10 reported changes in their away-from-home eating habits in both surveys.

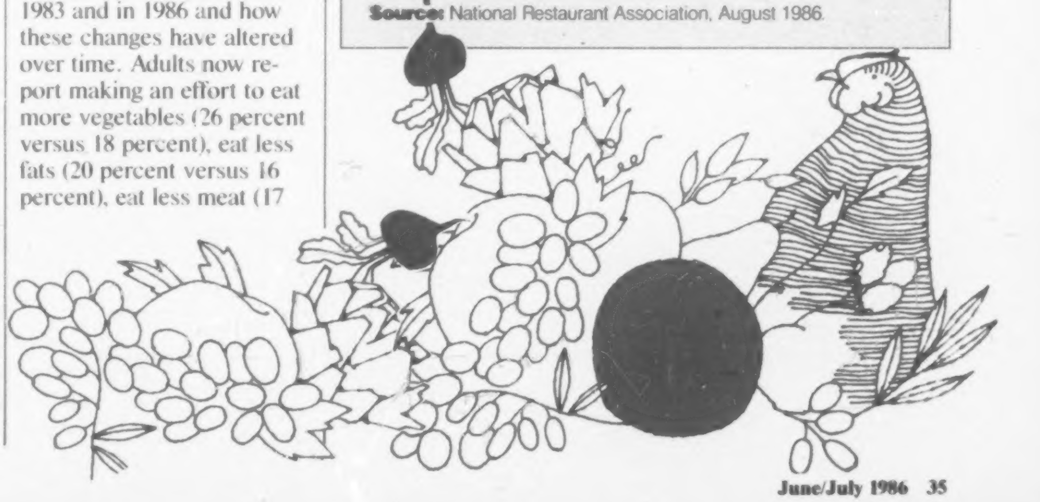
The Gallup results also provide information on exactly what changes consumers have made in their eating out choices. Respondents who had reported a change in their away-from-home eating habits were asked what major changes they had made when they eat at a restaurant or other eating place. The accompanying chart shows the various changes made in 1983 and in 1986 and how these changes have altered over time. Adults now report making an effort to eat more vegetables (26 percent versus 18 percent), eat less fats (20 percent versus 16 percent), eat less meat (17



Foods and beverages consumers are likely to try at a restaurant

Item	Percent who are very likely to try
Fresh fruit	78%
Lean meats	64%
Broiled/baked fish or seafood	63%
Whole wheat breads, rolls, crackers	59%
Steak or roast beef	58%
Poultry without skin	46%
Raw vegetable appetizer	45%
Whole grain muffins	40%
Vegetables seasoned only with herbs or lemon juice	36%
Food cooked without salt	35%
Regular soft drink	35%
Fried fish/seafood	34%
Low fat cottage cheese	33%
Cereal with low fat or skim milk	33%
Fried chicken	32%
Reduced calorie salad dressing	30%
Diet soft drink	30%
Caffeine-free soft drink	30%
Whole grain pancake/waffles	28%
Caffeine-free coffee	28%
Premium ice cream	27%
Low fat, low calorie fruit desserts	25%
Sugar substitutes	25%
Bagel/bread with low fat cream cheese	24%
Rich, gooey or chocolate dessert	22%
Fruit ice/sorbet	22%
Calorie-controlled entree	20%
Low cholesterol egg substitute	9%

Source: National Restaurant Association, August 1986.



**In both surveys consumers were asked this question: "In recent years some people say they have changed their diets by increasing their consumption of fruits, vegetables or whole grains or by decreasing their consumption of refined sugar, animal fats or salt. Have you changed your eating habits in any of these ways when you—eat at home; eat at a restaurant or other eating place?" Respondents who stated they had made changes when dining away from home were also asked to describe these changes.*

percent versus 12 percent) and avoid fried foods (15 percent versus 10 percent). Consumers also continue to use less salt and sugar, eat more fish and order more salads.

These results report what consumers *say* they are doing, and this can be contrary to how they are actually *behaving*. A look at changes in menu items ordered from 1982 to 1985 reveals that consumers are indeed doing what they say they are doing. The CREST *Household Report* shows the big gainers include nonfried fish, main dish salads, rice, fruit, chicken and Asian foods.

Most consumers are nutritionally aware . . .

To further investigate consumer health and nutrition issues and their effect on restaurant choices, the National Restaurant Association conducted an indepth consumer attitude and behavior survey in February and March of this year. The objective of this survey was to assess consumer awareness of and attitudes toward health and nutrition. Generally, the results were similar to those from other studies. For example:

- Most Americans feel at least somewhat informed about issues related to health and nutrition.
- At least half of the respondents said they make a conscious decision to restrict the use of some foods and food additives, such as salt, sugar, fat and cholesterol.
- About two-thirds said they make a conscious decision to eat other types of nutritional foods, including foods high in fiber, calcium and starch.
- Slightly more than one-third of the adults surveyed are either on a diet or have been on one in the past year.

Consumer eating out tastes vary . . .

This survey also queried respondents about their likelihood to try various menu items in restaurants. The inquiry interspersed some commonly ordered items, such as fried chicken and broiled or baked fish, with items that are seen less frequently on menus, such as skinless chicken and vegetables cooked without salt.

What is interesting about the results is how some of the less frequently seen menu items stack up against the old standards. For instance, 46 percent of the respondents reported they would be very likely to order poultry without skin compared to 32 percent who would be very likely to order fried chicken. The rank order suggests that overall American consumers have much more varied tastes than might be expected. Of course, needs differ at different meal occasions, but most consumers express a surprisingly strong willingness to try many of the less common items.

Of the 28 items included on this survey, the number one item is fresh fruit, with nearly eight out of 10 respondents indicating they are very likely to try this in a restaurant. Six out of 10 said they would very likely order lean meats, broiled or baked fish and seafood, whole wheat breads and steak or roast beef. The least popular item was a low cholesterol egg substitute. Fewer than one out of 10 would order this in a restaurant. A complete listing of all items is shown in the accompanying table.

Four distinct health and nutrition groups . . .

The second, and perhaps most important, objective of this study was to try to make sense out of a diversity of consumer attitudes about health and nutrition issues to better understand consumer restaurant choices. By grouping similar consumers and by describing each group using attitudinal, behavioral and demographic measures, NRA was able to reach an understanding of how attitudes toward health and nutrition issues interact with eating out behavior.**

The overall results revealed that although most Americans are aware of health and nutrition issues, they are not all alike. Four distinct consumer groups with regard to health and nutrition were identified, and these are:

- Traditional Consumers
- Weight Conscious Consumers
- Health Conscious Consumers
- Uncommitted Consumers.

Four percent of the population could not be put into one of these four groups.

The accompanying chart shows what proportion of the adult population is represented by each group as well as what proportion of restaurant meal occasions each group accounted for at the time the study was conducted.

A disproportionately large number of fast food occasions came from Traditional Consumers—46 percent. On the other hand a relatively large number of transactions at fine dining or atmosphere restaurants came from two groups—Weight Conscious Consumers and Health Conscious Consumers, 31 percent and 26 percent, respectively.

Traditional Consumers . . .

Traditional Consumers can also be described as meat and potato eaters, and they tend to eat what they like when they like. Their demographic and behavioral profile is detailed in the accompanying chart. When eating at home, Traditional Consumers are partial to regular soft drinks, butter, enriched white bread, whole milk and beef. Their eating out behavior reflects these preferences. Traditional Consumers tend to opt for steak or roast beef, regular soft drinks, fried chicken, fish and seafood and rich, gooey chocolate desserts.

To these people, taste is definitely the most important thing. They are not interested in menu items cooked without salt, they do not worry about ordering nutritious food when eating out and they are not looking for low fat foods in restaurants.

Weight Conscious Consumers . . .

Not surprisingly, Weight Conscious Consumers pay attention to the calorie content of the foods they eat, and they are also interested in nutritional content. The key words with this group are diet, reduced calories and substitute. The products they are likely to want when they dine out include reduced calorie salad dressing, sugar substitutes and diet soft drinks. At the same time, these Weight Conscious Consumers tend to avoid the items that Traditional Consumers are after—regular soft drinks,

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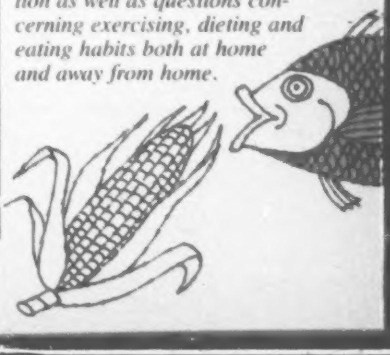
***In order to classify the respondents to this survey into the four groups a multivariate analysis was performed. This analysis involved looking at responses to the attitudinal questions on health and nutrition as well as questions concerning exercising, dieting and eating habits both at home and away from home.*

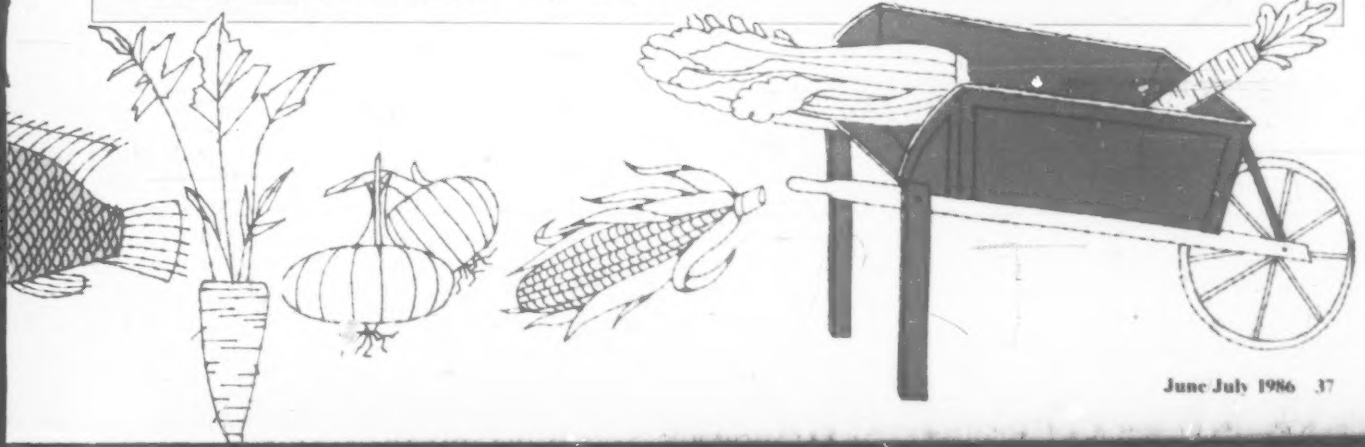


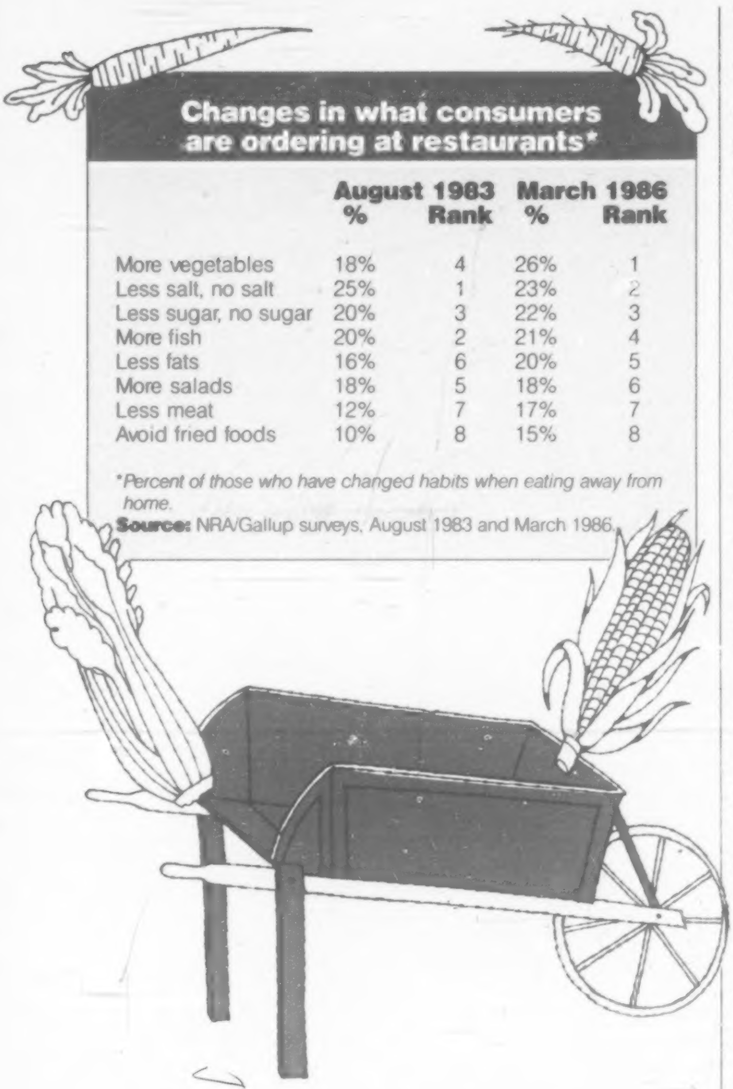
Characteristics of health and nutrition consumer groups

	Traditional Consumers	Weight Conscious Consumers	Health Conscious Consumers	Uncommitted Consumers
Percent of adult population	37%	23%	19%	12%
Percent of eating out occasions[1]	43%	25%	17%	12%
Demographic characteristics[2]	Men; 18 to 34 years old; live in rural areas; high school education; income under $40,000	Women; 45 to 54 years old; in couples, female does not work; live in an urban area; income over $40,000	Women; 55 years old and older; married with no children; college educated	Men; 35 to 64 years old; employed full time; live in a suburban area; income over $40,000
Behavioral characteristics[2]	Frequent fast food places; do not diet; exercise moderately; do not restrict use of salt, sugar, fat and cholesterol; do not consume foods high in fiber, starch and calcium	Patronize moderately priced or fine dining establishments; diet; restrict use of salt, sugar, fat and cholesterol; increase use of foods high in fiber and calcium	Eat infrequently at fast food places; patronize midscale and upscale restaurants; exercise frequently; restrict use of salt, sugar, fat and cholesterol; eat foods high in fiber, calcium and starch	Frequent fast food places and midscale restaurants; do not diet; average in their attempts to restrict use of salt, sugar, fat and cholesterol; do not eat foods high in fiber, calcium and starch
Foods very likely to order in restaurants[3]	Steak or roast beef; regular soft drinks; fried chicken; fried fish/seafood; rich desserts; premium ice cream	Reduced calorie salad dressing; sugar substitute; calorie-controlled entrees; low fat, low calorie fruit-based desserts; diet soft drinks; raw vegetable appetizers; low cholesterol egg substitute	Vegetables seasoned only with herbs or lemon juice; broiled/baked fish; raw vegetable appetizer; whole wheat breads, rolls and crackers; whole grain pancakes; poultry without skin; food cooked without salt; fresh fruit	Whole wheat bread, rolls and crackers; poultry without skin; diet soft drinks; broiled or baked fish/seafood
Foods less likely to order in restaurants[3]	Vegetables seasoned only with herbs or lemon juice; whole grain muffins, poultry without skin; reduced calorie salad dressing; low fat, low calorie, fruit-based dessert; calorie-controlled entree; raw vegetable appetizer; whole wheat breads, rolls or crackers	Regular soft drinks, steak or roast beef, fried fish/seafood; fried chicken; rich desserts; premium ice cream	Regular soft drinks; diet soft drinks; fried chicken; reduced calorie salad dressing; sugar substitute; fried fish	Steak or roast beef; fried chicken; fried fish/seafood; lean meats; reduced calorie salad dressing; premium ice cream; rich desserts

1. *The number of eating out occasions are based on respondent recall and not on continuous recording of eating out behavior. Also, the timing of the study, February and March, may not be indicative of year-round behavior. However, the occasion breakdown is similar to CREST, and therefore NRA believes it provides a reliable view of eating behavior.*
2. *Members of all four groups come from all demographic and behavior segments. The characteristics presented here represent those where a greater proportion than average occurs.*
3. *Members of all groups are likely to order any of the foods listed in the survey. The ones presented here represent those foods where an above-average (likely to order) or a below-average (unlikely to order) proportion of group members responded.*

Source: National Restaurant Association, August, 1986





Changes in what consumers are ordering at restaurants*

	August 1983		March 1986	
	%	Rank	%	Rank
More vegetables	18%	4	26%	1
Less salt, no salt	25%	1	23%	2
Less sugar, no sugar	20%	3	22%	3
More fish	20%	2	21%	4
Less fats	16%	6	20%	5
More salads	18%	5	18%	6
Less meat	12%	7	17%	7
Avoid fried foods	10%	8	15%	8

*Percent of those who have changed habits when eating away from home.

Source: NRA/Gallup surveys, August 1983 and March 1986.

steak or roast beef and fried chicken.

In terms of some of their wants and needs when dining away from home, Weight Conscious Consumers offer some excellent marketing opportunities. The adults in this group:

- Are counting calories
- Are looking for low fat foods at restaurants
- Wish more restaurants offered menu items cooked without salt
- Wish more restaurants offered foods for people on restricted diets
- Prefer broiled to fried foods and
- Would eat out more often if it was not so fattening.

Health Conscious Consumers . . .

Health Conscious Consumers are very interested in the nutritional content of the food they eat. However, unlike Weight Conscious Consumers, their interest stems from their desire to comply with the government's dietary guidelines. When they eat out, they seek vegetables, whole grains and fruit. At the same time, they look for items that help reduce their salt and fat consumption. They are more likely to avoid some of the foods the calorie watcher seeks out, such as diet soft drinks, reduced calorie salad dressing and sugar substitutes, because these items are processed foods.

The Health Conscious Consumer's attitudes suggest a strong commitment to the government's dietary guidelines. This group believes that good diet and nutrition play a role in the prevention of serious illness. They are less concerned with taste and with watching calories. In addition, they are less inclined to foresake their commitment to health and nutrition even when dining out for a special occasion. And they are responsible for a disproportionate number of occasions at fine dining places—26 percent—although they account for only 19 percent of the adult population.

Uncommitted Consumers . . .

The Uncommitted Consumer segment is more difficult to define. Because they tend to skip meals or eat small meals and snacks, this suggests that these are busy, on-the-go consumers.

Their menu choices in restaurants and the items they eat at home are varied and show no particular pattern. At home, they tend to consume such things as wine, premium ice cream, vegetables cooked without salt, whole wheat bread and skinless chicken. Some of the things they indicate they would be very likely to try in restaurants include whole wheat bread, rolls or crackers; poultry without skin and broiled or baked fish or seafood. They are different from Traditional Consumers in that they are less likely to consume many of the traditional foods, such as mashed potatoes, enriched white bread and steak and roast beef.

In describing their attitudes, it is easier to state how they are not likely to feel. For example:

- They are not likely to make a point of eating nutritious foods
- They do not necessarily feel that being in peak physical shape is important
- They are not partial to restaurants where everything is made from scratch and
- They do not feel that expensive restaurants should serve fresh rather than frozen food.

Moreover, Uncommitted Consumers are not tired of hearing about what is good and bad for them when it comes to food. Perhaps they are still trying to make up their minds about the way they feel about health and nutrition. Their busy schedules make it highly likely that the occasion itself dictates what foods and beverages they consume.

Health and nutrition will continue to influence restaurant offerings . . .

These consumer surveys reveal that the health and nutrition phenomenon will continue to affect the foodservice industry.

A detailed report describing all the results from the health and nutrition segmentation study will be available in August. In addition, an upcoming issue of the ***NRA NEWS*** (renamed ***Restaurants USA***) will report on another Gallup survey which explains what restaurant operators are doing to take advantage of the trend toward eating more healthy and nutritious foods.

Finally, the association has recently published a new report, *Nutrition Guide for the Restaurateur,* which is designed to help operators of small and medium size restaurants incorporate nutrition into their operations. (See the "Short Orders" column of this issue for order information.)

—Bette Hoyt

The foodservice industry 1984: A brief review

For the 17th consecutive year the National Restaurant Association has prepared information on the size and scope of the foodservice industry, including sales and purchases for major markets, number of establishments and alcoholic beverage sales. The figures and analyses reported here provide a summary of the foodservice industry's performance during 1984. In addition, for the first time, this report will include a breakdown of the restaurant and lunchroom category based on check size. To obtain more detailed information on foodservice in 1984, see the accompanying box which tells how to order a free copy of the complete report.*

Percent change in foodservice industry sales 1983–1984
(current and real* dollars)

	Current	Real
Foodservice industry	8.4%	4.0%
Commercial foodservice	9.1%	4.8%
Eating places	9.7%	5.4%
• restaurants, lunchrooms	9.1%	4.7%
• limited menu restaurants	10.7%	6.5%
Institutional foodservice	3.8%	(1.1)%
Military foodservice	7.8%	3.6%

*Adjusted for inflation **Source:** Malcolm M. Knapp, Inc.

The foodservice industry experienced a banner year in 1984. **Food and drink sales** totaled $165.0 billion, up 8.4 percent from $152.1 billion in 1983. Real sales (adjusted for inflation) rose 4.0 percent, marking the fourth consecutive year of real growth for the foodservice industry and the best real sales performance since 1977. Sales benefited from a booming economy in 1984, fueled by lower inflation, higher employment and increased consumer spending.

The proportion of the food dollar spent on food away from home reached an all-time high in 1984. Consumers allocated 40.5 percent of their food dollar to meals and snacks prepared outside the home—up from a revised 39.9 percent in 1983.

Customer counts at the nation's restaurants were up significantly in 1984. Overall traffic climbed 4.0 percent over 1983. Traffic was strongest during the spring quarter (up 7.5 percent), followed by the winter (up 6.2 percent), summer (up 2.4 percent) and fall (up 0.4 percent) months.

Menu prices continued to post modest gains—up 4.2 percent. This is somewhat below the 4.4 percent increase recorded in 1983 and considerably less than the 5.3 percent and 9.0 percent advances registered respectively in 1982 and 1981.

For the complete report

For a copy of the detailed report, *The Foodservice Industry: 1984 in Review,* simply complete the insert card in this issue (between pp. 40-41) and return it to the Research Department, National Restaurant Association, 311 First Street, N.W., Washington, DC 20001. This report is free to association members. Non-members must included a check or money order for $10.00 with their order card.

NRA's detailed report includes extensive data on the foodservice industry in 1984, including an analysis of all sectors of the eating place market as well as lodging places, educational foodservice, employee foodservice, health care foodservice, recreation foodservice and military foodservice.

Food and drink sales for the **Commercial Foodservice Group** reached $143.3 billion in 1984, a 9.1 percent advance from $131.3 billion in 1983. After adjusting for inflation, real sales climbed a healthy 4.8 percent.

Eating place sales rose a hefty 9.7 percent in 1984 to $104.5 billion. Inflation-adjusted sales were up a strong 5.4 percent. This segment accounted for an impressive 63.4 percent of total foodservice sales.

Limited menu (fast food) restaurants posted the most impressive sales gain among eating places in 1984, 10.7 percent to $43.7 billion. This category also experienced the strongest real sales growth in the eating place sector—6.5 percent.

Food and beverage sales at **restaurants and lunchrooms** reached $55.1 billion. This represents a strong 9.1 percent increase over 1983 sales of $50.5 billion. In inflation-adjusted dollars, sales rose 4.7 percent in 1984.

Grocery store foodservice, which includes convenience stores, outdistanced the other foodservice segments with the greatest sales gain in 1984—up 25.8 percent. Food and drink sales at gasoline service stations made a substantial gain, jumping 21.8 percent over the year before.

Other segments that recorded impressive sales advances include foodservice operations on passenger liners and railroads, miscellaneous foodservice retailers and hotel restaurants.

Institutional Foodservice Group sales totaled $20.9 billion in 1984—up 3.8 percent from sales of $20.1 billion in 1983. However, after adjusting for inflation, sales for this group fell 1.1 percent from the prior year.

Food and drink sales for the **Military Foodservice Group** rose a strong 7.8 percent in 1984, totaling $826 million. Real sales for this group advanced 3.6 percent.

—*Susan Adelman*

***The statistical information and analyses for NRA's study on the size and scope of the foodservice industry in 1984 were prepared in consultation with the research firm of Malcolm M. Knapp, Inc.**

Estimated food and drink sales and purchases, 1984

# of Units	Type of establishment	Estimated food and drink sales (000) 1983	Estimated food and drink sales (000) 1984	Percent gain (loss)	Estimated food and drink purchases (000) 1984
	Group 1: Commercial Foodservice[1]				
	Eating places				
124,869[2]	Restaurants, lunchrooms	$ 50,530,025	$ 55,111,582	9.1%	$19,622,589
117,604	Limited menu restaurants	39,494,133	43,719,215	10.7	14,950,572
6,079	Commercial cafeterias	2,920,486	3,165,807	8.4	1,144,434
3,581	Social caterers	1,147,827	1,240,801	8.1	458,848
7,966	Ice cream, frozen custard stands	1,174,244	1,283,449	9.3	388,885
260,099	**Total—Eating places**	**$ 95,266,715**	**$104,520,854**	**9.7%**	**$36,565,328**
32,308[3]	Bars and taverns	$8,157,044	$8,254,928	1.2%	$417,906[4]
292,407	**Total—Eating and drinking places**	**$103,423,759**	**$112,775,782[5]**	**9.0%**	**$36,983,234**
	Food contractors				
	Manufacturing and industrial plants	$ 2,393,792	$ 2,616,415	9.3%	$ 1,177,387
	Commercial and office buildings	763,189	825,007	8.1	371,253
	Hospitals and nursing homes	1,033,545	1,105,892	7.0	442,357
	Colleges and universities	1,494,312	1,612,363	7.9	516,569
	Primary and secondary schools	762,183	833,066	9.3	323,500
	In-transit foodservice (airlines)	618,920	672,431	8.6	322,733[6]
	Recreational and sports centers	1,175,715	1,241,555	5.6	430,820
9,026[7]	**Total—Food contractors**	**$ 8,241,656**	**$ 8,906,729**	**8.1%**	**$ 3,584,619**
	Lodging places				
14,968	Hotel restaurants	$ 7,302,020	$ 8,109,689	11.1%	$ 2,586,859
1,686	Motor hotel restaurants	703,675	726,193	3.2	233,368
9,131	Motel restaurants	1,158,986	1,190,279	2.7	392,268
25,785	**Total—Lodging places**	**$ 9,164,681**	**$ 10,026,161**	**9.4%**	**$ 3,212,495**
	Retail hosts				
10,468	Drug & proprietary store restaurants	$ 416,042	$ 428,939	3.1%	$ 155,276
1,562	Gen. merchandise store restaurants	60,117	62,942	4.7	22,218
4,932	Department store restaurants	1,005,061	1,060,388	5.4	389,162
3,651	Variety store restaurants	247,632	236,488	(4.5)	85,609
4,155	Food stores (except grocery)	170,424	179,968	5.6	58,130
39,498	Grocery store foodservice	1,553,874	1,954,774	25.8	674,397
14,593	Gasoline service station foodservice	860,253	1,047,788	21.8	361,487
8,525	Misc. retail (liquor, cigar, etc.[8])	375,548	423,242	12.7	143,902
87,384	**Total—Retail hosts**	**$ 4,689,951**	**$ 5,394,529**	**15.0%**	**$ 1,890,181**
	Recreation and sports foodservice				
2,785	Drive-in movies	$ 232,104	$ 244,870	5.5%	$ 76,154
3,933	Bowling lanes	677,417	702,481	3.7	252,893
N/A	Recreation and sports centers	912,093	958,610	5.1	332,638
6,718	**Total—Recreation and sports foodservice**	**$ 1,821,614**	**$ 1,905,961**	**4.6%**	**$ 661,685**
	All other foodservice				
3,088	Vending and non-store retailers[9]	$ 3,386,729	$ 3,667,828	8.3%	$ 1,181,041
N/A	Mobile caterers	537,379	588,430	9.5	195,359
3,088	**Total—All other foodservice**	**$ 3,924,108**	**$ 4,256,258**	**8.5%**	**$ 1,376,400**
424,408	**Total—Group I**	**$131,265,769**	**$143,265,420**	**9.1%**	**$47,708,614**

Footnotes

1. Data are given only for establishments with payroll.
2. Figures are latest census area reports or merchandise line detail counts or updates when reliable data become available.
3. Unit count includes only those establishments serving food; however, sales figure is for all bars and taverns with payroll.
4. Food only. Cost of alcoholic beverages totaled $2,587,072,000.
5. Food and drink sales for nonpayroll establishments totaled $3,206,617,000 with eating places accounting for $2,257,290,000 and drinking places $949,327,000.
6. Food purchase only.
7. Individual businesses, not locations. Contract feeders are included in eating place totals in all Bureau of the Census publications although their sales volume figures are significantly understated.
8. Includes SIC 59 except 591 and 596.
9. Includes sales of hot foods, sandwiches, pastries, coffee and other hot beverages.
10. School lunch commodities furnished in the calendar year 1984 under Secs. 6, 32 and 416 were worth $823,828,070. In addition, 171,976,630 half pints of milk worth $16,353,870 were supplied.
11. Total number of colleges and universities, which have foodservice, whether contracted or not.
12. Represents sales or commercial equivalent to employees.
13. Sales (commercial equivalent) calculated for nursing homes and homes for aged only. All others in the grouping make no charge for food served.
14. All 50 states plus the District of Columbia.

*** These institutions make no charge for food served.

Estimated food and drink sales and purchases, 1984

# of Units	Type of establishment	Estimated food and drink sales (000)		Percent gain (loss)	Estimated food and drink purchases (000)
		1983	1984		1984
	Group II: Institutional Foodservice—Business, educational, government or institutional organizations which operate their own foodservice.				
	Employee foodservice				
3,683	Industrial and commercial organizations	$ 1,504,939	$ 1,629,849	8.3%	$ 762,769
408	Sea-going ships (1,000 + tons)	46,191	43,604	(5.6)	26,162
4,248	Inland waterway vessels	215,492	230,576	7.0	138,345
8,339	**Total—Employee foodservice**	**$ 1,766,622**	**$ 1,904,029**	**7.8%**	**$ 927,276**
	Educational foodservice				
90,812	Public and parochial elementary and secondary schools (89,216 national school lunch program[10])	$ 2,577,461	$ 2,780,429	7.9%	$ 3,010,355
1,017	Public colleges and universities[11]	2,049,269	2,047,220	(0.1)	877,398
1,624	Private colleges and universities[11]	882,055	921,747	4.5	451,462
93,453	**Total—Educational foodservice**	**$ 5,508,785**	**$ 5,749,396**	**4.4%**	**$ 4,339,215**
	Transportation foodservice				
57	Passenger/cargo liners	$ 153,164	$ 172,769	12.8%	$ 95,021
95	Airlines	571,622	624,783	9.3	311,192
2	Railroads	35,157	41,087	16.9	18,434
154	**Total—Transportation foodservice**	**$ 759,943**	**$ 838,639**	**10.4%**	**$ 424,647**
	Hospital foodservice				
4,137	Voluntary and proprietary hospitals	$ 5,344,325	$ 5,357,862	0.2%	$ 2,143,145
1,622	State and local short-term hospitals[12]	793,128	788,491	(0.6)	535,827
717	Long-term, general, TB & psychiatric hospitals	871,542	854,800	(1.9)	341,920
341	Federal hospitals[12]	366,057	390,173	6.6	310,964
6,817	**Total—Hospital foodservice**	**$ 7,375,052**	**$ 7,391,326**	**0.2%**	**$ 3,331,856**
26,169	Nursing homes, homes for the aged, blind, orphans, mentally & physically handicapped[13]	$ 2,793,879	$ 2,986,657	6.9%	$ 1,834,894
	Miscellaneous foodservice				
10,310	Clubs	$ 1,391,385	$ 1,466,520	5.4%	$ 614,472
2,806	Sporting and recreational camps	119,284	123,698	3.7	74,218
15,210	Community centers	374,228	400,798	7.1	472,934
N/A	Convents and seminaries	···	···	···	107,418
28,326	**Total—Miscellaneous foodservice**	**$ 1,884,897**	**$ 1,991,016**	**5.6%**	**$ 1,269,042**
	Penal institutions				
791	Federal and state prisons	···	···	···	$ 400,740
3,338	Jails	···	···	···	311,581
4,129	**Total—Penal institutions**	***	***	***	**$ 712,321**
167,387	**Total—Group II**	**$ 20,089,178**	**$ 20,861,063**	**3.8%**	**$12,839,251**
591,795	**Total—Groups I & II**	**$151,354,947**	**$164,126,483**	**8.4%**	**$60,547,865**
	Food furnished foodservice employees in Groups I and II	···	···	···	$ 4,074,018
591,795	**Total—Groups I, II, & FSE**	**$151,354,947**	**$164,126,483**	**8.4%**	**$64,621,883**
	Group III: Military Foodservice				
N/A	Defense personnel	···	···	···	$ 1,945,877
700	Officers' and NCO clubs ('open mess')[14]	$ 506,248	$ 546,242	7.9%	197,740
556	Military exchange foodservice	260,274	280,315	7.7	113,528
1,256	**Total—Group III**	**$ 766,522**	**$ 826,557**	**7.8%**	**$ 2,257,145**
593,051	**GRAND TOTAL**	**$152,121,469**	**$164,953,040**	**8.4%**	**$66,879,028**

Source: Malcolm M. Knapp, Inc.

Employment update

The need for employees remains strong

This article updates Bureau of Labor Statistics' (BLS) figures concerning foodservice employment projection. It also highlights those occupations which may feel the effects of a labor shortage.

The need for foodservice employees will intensify as America heads into the next decade. Bureau of Labor Statistics' (BLS) projections indicate that employment in foodservice industry occupations will swell 21.7 percent between 1984 and 1995 to reach 8.9 million.* In comparison, overall employment will increase a slower 14.9 percent during this same period.

These employment projections take on even greater significance in light of a research study prepared for the National Restaurant Association by the consulting firm of Arthur D. Little, Inc. The study, which is the basis for NRA's Current Issues Report, *Foodservice and the Labor Shortage*, projects that by 1995 the foodservice industry will experience a shortage of 1.1 million workers unless employers make adjustments to such factors as pay and benefits or tap new labor resources.

Foodservice has above-average separation rates . . .

When looking at the overall employment picture, it is important to note the job separation rates, which measure the percentage of workers previously employed in an occupation who are not employed in that occupation one year later.

In general, foodservice occupations have higher-than-average separation rates as shown in the accompanying table. In 1984 the separation rate for all foodservice occupations was 31.5 percent, nearly twice the overall rate.

Average annual openings important . . .

It is also helpful for restaurant operators to be aware of the average annual

Foodservice separation rates
(1984)

		Not Working		
	Total Separations	**Transfers**	**Unemployed**	**Not in labor force**
Food preparation and service occupations	**31.5%**	**13.9%**	**4.6%**	**13.0%**
Supervisors	24.2	13.4	3.5	7.4
Bartenders	32.2	16.9	7.1	8.2
Waiters and waitresses	32.5	14.8	3.9	13.9
Cooks, except short order	26.2	11.3	4.3	10.7
Food counter and fountain workers	43.3	19.2	5.1	19.0
Kitchen and food preparation workers	31.5	15.6	4.5	11.4
Waiter/waitress assistants	43.2	16.8	5.5	20.9
Miscellaneous	32.2	13.2	5.6	13.4
Total employees, 16 years and over	**17.8%**	**8.0%**	**2.8%**	**7.0%**

Source: U.S. Department of Labor, Bureau of Labor Statistics, 1985.

Average annual job openings
(1984–1995)

Occupation	Replacement jobs*	New jobs	Total openings
Waiter/waitresses	597,000	38,600	635,600
Cooks, except short order	259,200	19,200	278,400
Bartenders	146,800	10,200	157,000
Waiter/waitress assistants	148,600	6,700	155,300

**The separation rate was used to determine replacement jobs since separation rates for foodservice jobs remain relatively constant over time.*

Source: U.S. Department of Labor, Bureau of Labor Statistics, NRA Forecast, 1985.

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* *The Bureau of Labor Statistics has prepared three scenarios (low, middle and high) of occupational employment growth between 1984 and 1995. The first set of assumptions (low scenario) is based on the premise that the economy will follow a slow growth path during this 11-year time period. Productivity will be sluggish, the unemployment rate will edge down slightly to 7.0 percent and real Gross National Product (GNP) should expand at a 2.2 percent annual rate. In contrast, the high scenario assumes that the economy will be more robust. Productivity should be strong, the unemployment rate will dip to 5.0 percent and real GNP will expand at an annual rate of 3.8 percent. This report, however, is based on the middle set of assumptions, which predicts that between 1984 and 1995 the economy will experience good productivity, the unemployment rate will drop to 6.0 percent and real GNP will grow at an annual rate of 2.9 percent.*

Eating and drinking place employment projections*

(1984–1995)

Occupation	Employment (000) 1984	1995	Percent change
Bread and pastry bakers	19	23	21.0%
Bartenders	272	353	29.8
Cooks and chefs	701	866	23.5
• Restaurant	331	435	31.4
• Short order and fast food	370	431	16.5
Food preparation and service workers, fast food	1,179	1,389	17.8
Food preparation and service workers, except fast food	481	595	23.7
Hosts/hostesses	104	136	30.8
Managers and management-related employees	420	522	24.2
• Foodservice and lodging	376	466	23.9
• Other managers and support workers	44	56	27.3
Marketing and sales workers	227	296	30.4
• Cashiers	158	216	36.7
Waiters/waitresses	1,270	1,603	26.2
Waiter/waitress assistants	194	240	23.7
All other workers	536	636	18.6
Total	**5,403**	**6,659**	**23.2%**

*Only includes workers included in SIC code 58 and does not include workers in foodservice segments such as institutional and lodging employees.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November, 1985.

Foodservice occupational employment projections*

Occupation	Employment (000) 1984	1995	Percent change
Bread and pastry bakers	68	80	17.6%
Bartenders	400	512	28.0
Cooks and chefs	1,309	1,594	21.8
• Institutional or cafeteria	421	494	17.3
• Restaurant	463	601	29.8
• Short order and fast food	425	499	17.4
Food preparation and service workers, fast food	1,201	1,417	18.0
Food preparation and service workers, except fast food	987	1,205	22.1
Foodservice and lodging managers	657	746	13.5
Hosts/hostesses	132	168	27.3
Waiters/waitresses	1,625	2,049	26.1
Waiter/waitress assistants	307	381	24.1
All other foodservice workers	608	724	19.1
Total	**7,294**	**8,876**	**21.7%**

*Does not include professional, technical or sales workers.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November, 1985.

job openings for specific foodservice occupations. This can be determined by estimating the total number of jobs created by people leaving their occupations and the number of new jobs created by expansion.

Information on average annual job openings for some foodservice occupations is summarized in the accompanying chart.

Employment opportunities sizzle for restaurant chefs . . .

The fastest growing foodservice occupation between 1984 and 1995 is expected to be restaurant cooks and chefs. The projected increase is 29.8 percent. Close behind is the bartender segment—up 28.0 percent, followed by hosts and hostesses—up 27.3 percent. Other foodservice occupations expected to post above-average job increases include waiters and waitresses, server assistants and food preparation and service workers not employed by fast food restaurants.

Eating and drinking place employment projections . . .

Eating and drinking places are the major employer of foodservice workers. Reflecting this segment's importance, the Bureau of Labor Statistics provides employment projections specifically for eating and drinking places. In 1984, restaurants and bars employed more than 5.4 million men and women, and by 1995 this number should reach more than 6.6 million. Cashiers should experience the greatest job growth among the eating and drinking place occupational categories, advancing 36.7 percent between 1984 and 1995. Jobs for restaurant cooks will advance at the second fastest pace, climbing 31.4 percent, followed by hosts and hostesses (up 30.8 percent) and bartenders (up 29.8 percent).

Waiters and waitresses will make up the largest proportion of eating and drinking place employees—25.0 percent. Food preparation and service workers at fast food establishments will be second, accounting for 22.0 percent.

NRA offers guides . . .

The National Restaurant Association offers materials designed to help operators find solutions to the labor crunch. Earlier this year the association published a Current Issues Report, *Foodservice and the Labor Shortage*, which deals with this problem. NRA is currently working on two other projects that also address the labor shortage, and they will be available later this year. One is a how-to guide: *How to Recruit, Hire and Retain Employees in a Tight Labor Market*. The other is an industry wage survey of hourly employees, which will provide operators with a comprehensive look at pay scales for different groups of hourly employees. *—Susan Adelman*

Employee attitude surveys

One way organizations keep their fingers on the pulse of employee sentiments is through surveys. Employee surveys can be tricky, though. They have to be constructed with extraordinary care. I thought you might be interested in this example.

CONFIDENTIAL (Honest!)

1. Name (Print) ____________________
(Only the company psychiatrist will see this.)

2.1 How long have you worked here? __________

2.2 How come so long? ____________________

3.1 List the three things you like most about the company.
A. ____________________
B. ____________________
C. ____________________

3.2 What don't you like about the company, if anything. ____________________

4.1 Who is your supervisor? ____________________
(Spell name corectly.)

4.2 Whom would you like to have as your supervisor?
____________________ (We're just curious.)

4.3 What word best describes your current supervisor?
A) Egocentric ____
B) Stingy ____
C) Really egocentric ____
D) Klutzy ____
E) Parsimonious ____
F) All of the above ____

5. Due to economic necessity, we need to make slight changes in our fringe benefits. Which one of the following do you favor for elimination?
1. The 100 percent company paid pension plan (full vesting after two weeks) ________
2. The 100 percent company paid health care plan (including dental) ________
3. Reimbursement for business expenses ________

5.2 Which of the following benefits do you favor for addition to our program?
1. A milk shake machine in the lounge ________
2. Permission to wear blue jeans ________
3. Widening the vehicle space lines in the parking lot ________

6. Would you recommend our company for employment to a friend or relative?
1. Absolutely ________
2. Positively ________
3. Affirmative ________
4. I don't understand the question ________ (Hmmm)

7.1. Rank what you like *most* about your position.
A) Salary ____
B) Pay ____
C) Renumeration ____
D) Psychic income ____

7.2. Rank what you like *least* about your position.
A) Everything's fine ____
B) No complaints ____
C) Just peachy ____
D) Super ____
E) Other ____ (Careful!)

8. We are expanding our operations and need to make some transfers. Please check where you would consider relocating.
Antarctica ____
Ft. Leavenworth ____
Amazon ____
Sahara Desert ____
Himalaya Mountains ____
Washington, DC ____

9. Do you think our company is an industry leader?
No question about it ________
We're way in front ________
I plead the 5th ________ (Very interesting!)

10. We pride ourselves on our concern for our employees. (This survey is one example.) Do you feel that we are concerned about you? (Answer required.)
Yes ________

11. Which statement most accurately summarizes your feeling about the company?
A) I'm really fortunate to work here. ________
B) Nobody could be luckier than I am. ________
C) It's really great, splendid, tremendous. ________

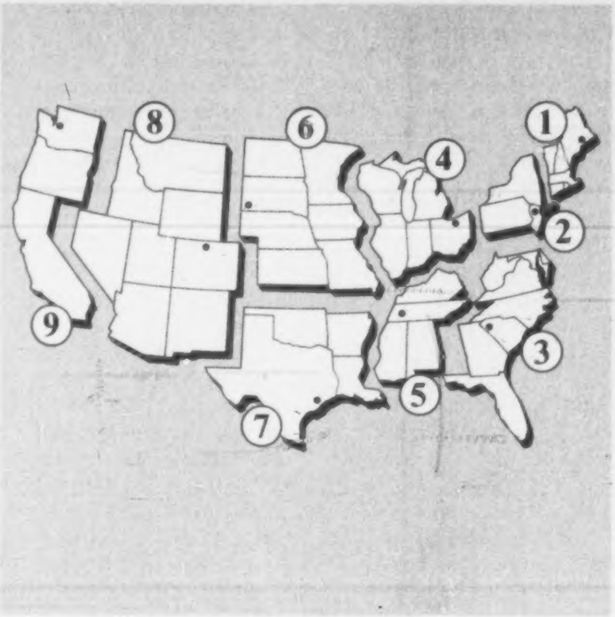
12. The following data will be used only for classification, change of position, salary adjustment and termination purposes.
A) How old are you? ________
B) Add 3 to the number indicated in "A." ________
C) Where do you live? ____________________
D) How much do you pay for housing?
____________ (You pay too much!)
E) What is your current salary? ________
F) Multiply "E" by 90 percent ________
G) What is your lowest level of education?
Grade school ____
Kindergarten ____
Nursery school ____
Day care center ____
H) How many credit cards do you have? ________
(Destroy half)
I) Should we contact the IRS on your behalf?
No. Really! Really! ________
Please don't, pretty please! ________
Whoops! Gulp! ________
Ouch! Aw, come on! ________
J) Please state forwarding address. ____________
(Just in case the unexpected occurs)

Signature ____________________ (Legibly, dummy!)

Fisher's Law #73: If you conduct an employee survey, word it carefully to extract the information you are seeking. Be prepared to report on the results and to act on them. Otherwise, don't bother asking.

How's business?

by Anne Papa



① NEW ENGLAND

Location: Bar Harbor, ME
NRA member: Gary Skirry
Operation: West Street Cafe
Profile: Fullservice restaurant
In business: 6 years
Seats: 100
Meals served: Lunch, dinner

The tourist season is just beginning in Bar Harbor, which means the West Street Cafe will be packed until business slows in September. And with the expected boom in American tourism, this summer should be better than ever, predicts owner **Gary Skirry.**

The West Street Cafe is a casual, comfortable establishment. The specialty of the house is Maine lobster, with additional seafood items, steaks and veal rounding out the menu. A $15.00 price range for entrees (from $4.95 to $19.95) provides items on the menu for entire families.

② MIDDLE ATLANTIC

Location: Mountain Lakes, NJ
NRA member: Arthur McGreevy
Operation: Black Bull Inn
Profile: Fullservice restaurant
In business: 20 years
Seats: 250
Meals served: Lunch, dinner

"Summer is customarily our slowest season, but it is by no means dreadful," reports **Randy Odenbrett,** manager of the Black Bull Inn. Lunch business slows, says Odenbrett, because businesspeople leave Mountain Lakes and the surrounding North Jersey area for vacation spots during July and August. "But dinner remains heavy, and lunch picks up again in September," he says.

The decor at the Black Bull Inn suggests a Scottish motif, with the "tartan of the clans"—pictures of coats-of-arms of high-bred Scottish families—adorning the walls. But the menu is American, with an emphasis on beef—rib-eye steaks, prime ribs and baby-back ribs, to name a few of the most popular items. A popular dessert is "midnight" cheesecake, a tantalizing combination of chocolate cake and cream cheese, one layered on top of the other.

③ SOUTH ATLANTIC

Location: Seneca, SC
NRA member: Daniel Burfiend
Operation: The After Glo Restaurant
Profile: Fullservice restaurant
In business: 2 years
Seats: 90
Meals served: Dinner

"Although in New York City our restaurant might be viewed as conservative, here in Seneca we are considered upscale and trendy," says **Chris Simpson,** chef at the After Glo Restaurant. Simpson says the restaurant is becoming popular among businesspeople, and he hopes to keep building traffic as more industries settle in Seneca.

Because it is open for dinner only, the After Glo often caters to special occasion diners. Service is attentive—"We put a great deal of emphasis on server training," says Simpson—and the atmosphere is subdued, with plants, woods and earth tones dominating. The specialty of the house is seafood. A particular favorite among customers is "orange roughy papillote," a filet of orange roughy sealed and steamed in a brown paper bag with an assortment of vegetables. It is served piping hot—paper bag and all. "When the bag is opened, the aroma is incredible," says Simpson.

④ EAST NORTH CENTRAL

Location: Cleveland, OH
NRA member: Stu Gardner
Operation: Our Gang Too
Profile: Fullservice family restaurant
In business: 7 years
Seats: 102
Meals served: Lunch, dinner

Stu Gardner, general manager of Our Gang Too, says the future outlook for Cleveland businesses is good. "The new Rock n' Roll Hall of Fame, the development of the 'flats' area and the renovation of the harbor will all bring business into the city," he predicts "as well as increased competition."

Our Gang Too, a casual family restaurant with a loyal clientele, has a jump ahead of the newcomers.

Our Gang Too opened in the late '70s as a typical "fern bar," featuring hamburgers, omelettes and salads. It has since updated its menu, service and atmosphere to broaden its appeal. The menu now includes ribs, steaks and chicken dishes, and there is a separate menu for children. Giveaway balloons and an electric train that runs through the dining room enhance the restaurant's family appeal.

⑤ EAST SOUTH CENTRAL

Location: Lakeland, TN
NRA member: Louis and Janice Garner
Operation: Cafe Lakeland
Profile: Fullservice restaurant
In business: 23 years

Seats: 300
Meals served: Breakfast, lunch, dinner

Because Cafe Lakeland is located on a major interstate and is less than one mile from one of the South's major campgrounds, general manager **Jim Beekler** is hoping for a record-breaking business this summer. "The tourist boom will be a boon for our business," he predicts. An 80-foot high sign on the highway will make certain that passersby know about the restaurant.

Cafe Lakeland normally caters to two different types of clientele: truckers with business in nearby Memphis and local Lakeland residents. That is why the cafe has two different dining rooms. Locals and families dine in the Fiesta Room, the more upscale dining room, which is filled with Spanish and Mexican artifacts collected by the restaurant's owners. Truckers and customers who pull off the highway for a quick bite are served in an adjacent dining room (unnamed) that is more casual.

Customers in both rooms delight over Cafe Lakeland's all-you-can-eat fried catfish buffet, which also features four or five other entrees, choice of two vegetables and a salad bar.

6

WEST NORTH CENTRAL

Location: Spearfish, SD
NRA member: D. Thompson
Operation: The Sluice
Profile: Fullservice restaurant
In business: 8 years
Seats: 150
Meals served: Lunch, dinner

According to **Vel Orr,** general manager of The Sluice, Spearfish is one of the most stable towns in the Black Hills area. A growing timber industry and the close proximity of both the University of South Dakota and Rapid City provide customers for The Sluice. "We are getting much regional recognition," boasts Orr. "We've become a destination stop for people coming through Spearfish."

The Sluice is named for the sluice—a long box used by miners to sift gold from stream gravel—that sits in the lobby. The miners theme carries through to the dining room, where a salad bar and fruit bar sit on top of actual ore cars. And a log cabin, complete with wood floors and a fireplace, has been transported from the Montana plains to The Sluice's lounge. The cabin seats 24 comfortably.

The Sluice is known for fresh fish, flown in twice weekly from Denver, and its extensive Sunday brunch. On Sundays, the ore cars are cleared of salads and fruit and are filled with traditional breakfast items.

7

WEST SOUTH CENTRAL

Location: Houston, TX
NRA member: Robert Del Grande
Operation: Cafe Annie
Profile: Fullservice restaurant
In business: 6 years
Seats: 90
Meals served: Lunch, dinner

When oil prices took a nosedive last winter, restaurants all over Houston suffered. But at Cafe Annie, chef Robert Del Grande continued to raise prices during the crisis to keep in step with increases from suppliers. "Fortunately, our business wasn't hurt too much because of our good reputation," says **Nanette Taylor,** general manager of the restaurant.

And now that the "big scare" is over and people are going out to eat again, Cafe Annie is doing better than ever. Specializing in new American cuisine with a Southwestern flair, Taylor says the restaurant offers "something for everyone," with a regular menu plus daily specials that feature more exotic dishes. A typical day's specials list might include redfish in sesame crust with cilantro sauce, grilled scrod with grilled bananas, and duckling foie gras with pecan bread and citrus sauce. The lunch and dinner menus at Cafe Annie differ. Lunch entrees cater to a casual crowd; dinner items attract Houston residents looking for an elegant night out.

8

MOUNTAIN

Location: Fort Collins, CO
NRA member: Russell A. Phipps
Operation: Cuisine Cuisine
Profile: Fullservice restaurant
In business: 3 years
Seats: 80
Meals served: Lunch, dinner

A bright, royal blue awning and a chalkboard menu that changes daily lure customers into Cuisine Cuisine, a small cafe sitting at the edge of the Rocky Mountains in Fort Collins. Business is brisk at the restaurant, thanks to an influx of students from nearby Colorado State University and businesspeople moving into the area. In fact, according to manager **Anita Olin,** "We're celebrating our third anniversary this week—and our third consecutive year of rapid growth."

Cuisine Cuisine is known among Fort Collins residents for "providing the unexpected," says Olin. The ever-changing menu highlights American regional and international specialties; each week there is a different theme. Southwestern, Cajun and down-home Southern cuisines have all been featured, as well as French, Italian, German and Indian cuisines. Not only do appetizers and entrees reflect the various ethnic roots, so do the restaurant's famous desserts. "Cajun Week" featured bread pudding with bourbon sauce, bananas foster and beignets.

9

PACIFIC

Location: Tacoma, WA
NRA member: Tony Manza
Operation: The Poodle Dog
Profile: Family restaurant and coffee shop
In business: 53 years
Seats: 225
Meals served: Breakfast, lunch, dinner

Even though the Poodle Dog restaurant is located in the heart of Tacoma's hurting industrial district, business has not suffered. "We are an institution here in Tacoma," says manager **Tony Manza.**

Breakfast, lunch and dinner are heartily served at this family-style restaurant and coffee shop. Breakfast specials include waffles—"the old-fashioned, heavy kind, not Belgian waffles," says Manza. Old-fashioned, too, are the hamburgers, a lunchtime favorite. Popular dinner specials include veal and pork roasts and Italian pasta dishes. And any time of the day is the right time for the Poodle Dog's homemade desserts, all baked fresh daily on the premises. Particular favorites among customers are the pies.

FOOD FOR THOUGHT

McDonald's on the McMoon

First came McNuggets. Then McD.L.T. Now it's McDonald's on the McMoon.

Bob Goldfarb, owner of a McDonald's franchise in Inglewood, CA, has turned the inside of his restaurant into a simulated space shuttle, McD-1. Customers entering the dining area are welcomed aboard the McD-1 by recordings in Spanish, French, Russian and Chinese. Seats at the tables are designed to vibrate, and large viewing screens show original space footage from the NASA/Johnson Space Lab, Jet Propulsion Laboratory and from the PBS television series "Cosmos."

"This is the first McDonald's of its kind in the nation," says Goldfarb. "We wanted to do something more than hamburgers and fries. We give customers a look into the future—a taste of tomorrow."

—Los Angeles Times

Brown baggers take their time

When lunch hour rolls around, what do the majority of America's office workers do—head for the nearest restaurant, go out for a stroll or brown-bag it at their desks and go right back to work?

None of the above, according to a survey conducted by Jacques Borel Enterprises, a New York, NY, firm which recently launched a meal coupon program allowing companies to subsidize part of their employees' lunches at nearby restaurants. The survey found that although 58 percent of the respondents said they are most likely to eat lunch at their desks, nearly one-third of the brown baggers still take more than one hour for their lunch break. Cost—not convenience or an attempt to save time—is the reason most people bring a sandwich to work.

Of the 65 percent of survey respondents who eat lunch at restaurants once or twice a week, 41.8 percent do so for a change of scenery, 39.8 percent eat out to socialize and 28.6 percent are looking for food variety.

—Jacques Borel Enterprises

I'll take spaghetti and two place settings, please

Rosemarie Herr, bookkeeper at Sandro's restaurant in New York City, describes the establishment as "authentically Italian. We even import our china, silver and other tableware from Italy." So when customers began admiring the imported place settings, Sandro's decided to offer them for sale. The restaurant printed table tents that read: "Would you like to take home the dishes, the silverware, the salt cellars, the pepper mill? Maybe a teapot? Everything's for sale, except the chef . . ."

According to Herr, many customers have purchased the items since the cards were printed. But as yet, she reports, none has made a bid for the chef.

—NRA NEWS interview

A trip to Tahiti on aisle B

One of the hottest specials at the Big Bear Supermarkets in San Diego, CA, isn't on canned peas or carrots. It's on cruises to Hawaii.

Nestled between aisles where shoppers find bags of charcoal and dog food is one of America's first supermarket travel departments. Called Travel Center, the booths are run by Bonus Travel of San Diego.

"Grocery stores are a natural for our business," says Mike Habib, vice president of Bonus Travel. "Where else can you get 2,000 people to walk by your booth every day? We have people spending $2,000 on a cruise while their ice cream is melting."

—USA TODAY

Sweet taste of Liberty

A 5,500-pound 8-foot, 2-inch chocolate model of the Statue of Liberty was on display in the Meridien Hotel in New York City through July 4. It took Parisian chef Paul Berthon and two assistants three 100-hour weeks to craft the sculpture, modeled after the original by Auguste Bartholdi. In fact, Berthon used the same mold and carved the chocolate like soft stone. After Independence Day, the chocolate liberty will be auctioned for charity.

—USA TODAY

The Drake Hotel
Chicago, IL

This NRA national conference
combines
the art of image development
with
the science of promotion planning

Marketing

National Restaurant Association
National Conference on Marketing,
Advertising and Promotions

America is having a love affair with food. Food is style. Food is entertainment. Food is fun. Food is nutrition. Food is news.

That spells opportunity for the restaurant industry. But marketers trying to determine what key factors have catapulted everything from the gourmet burger to *creme fraiche* to the forefront of America's thoughts, actions and spending decisions, will end up with a mixed message. Today's restaurant patron is more fickle and elusive than ever. There is no "typical" customer and no pat formula for success. Attaining your rightful market share in today's restaurant environment is somewhere between an art and a science.

At NRA's National Conference on Marketing, Advertising and Promotions, you will examine both the art and science of restaurant marketing.

- An examination of the subtleties of image building and market positioning
- Specific techniques for creating, developing and executing promotions
- Case studies: What works and why
- Bridging the gap between operations and marketing
- Media analysis: Which form of advertising is best for you
- In depth workshops designed to promote participation and build understanding
- Panel of industry experts focus on changing conditions in the marketplace.

For more information or to register,
contact NRA Education Programs Department:
800/424-5156 (toll-free) or 202/638-6100
National Restaurant Association,
311 First Street, N.W.,
Washington, DC 20001

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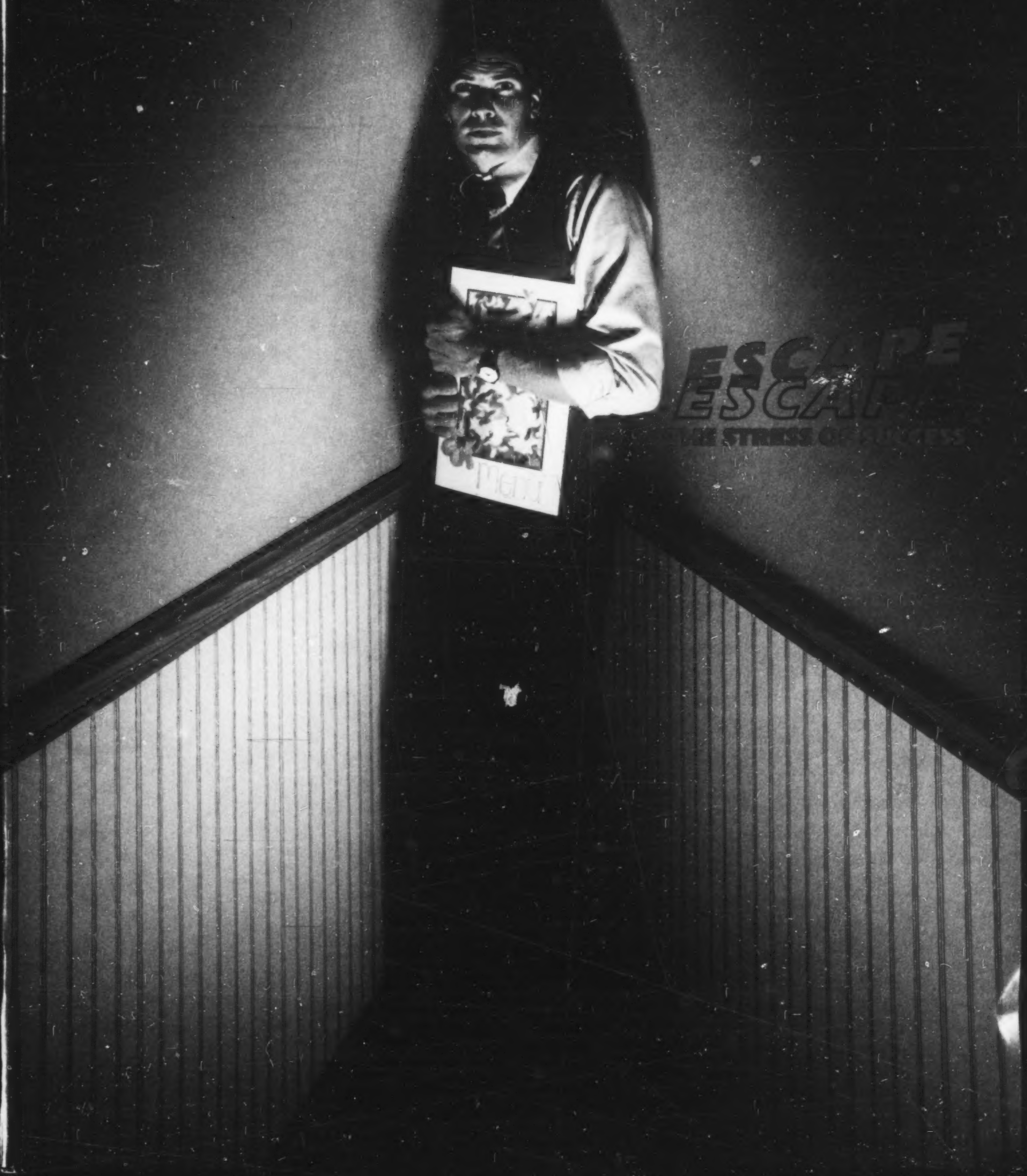
RESTAURANTSUSA

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION A8200-1 VOL. 6 NO. 7 AUGUST 1986



ESCAPE
ESCAPE
THE STRESS OF SUCCESS

NRA MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

8/21	Lansing, MI
9/8	Houston, TX
9/10	Oklahoma City, OK
9/15	Atlantic City, NJ
10/9	Williamsburg, VA
10/15	Eugene, OR

Dining Room Management: Sales and Service

8/20	Annapolis, MD
8/26	Lansing, MI
9/9	Houston, TX

Kitchen Management

8/25	Orlando, FL
9/9	San Diego, CA
9/11	Tucson, AZ
9/16	Atlantic City, NJ
9/24	Providence, RI
10/7	Toronto, Ontario, Canada
10/8	Winnipeg, Manitoba, Canada

People-Power and Profits

9/8	Minneapolis, MN
9/30	Annapolis, MD
10/8	Portland, OR
10/16	Worcester, MA

Tools for Training

9/10	New Orleans, LA
10/6	Dallas, TX

Food Production Courses

Perfecting Your Culinary Skills

9/16	Grand Rapids, MI
10/16	Rochester, NY

Simplified Baking Workshop

9/9	Chicago, IL
9/23	Denver, CO
10/7	Burlington, VT

Foodservice Management Courses

Banquet Management

9/15	Toronto, Ontario, Canada
9/29	Knoxville, TN
10/6	Detroit, MI
10/7	Indianapolis, IN

Beverage Management

9/15–16	Atlantic City, NJ
9/23–24	Milwaukee, WI

Employee Motivation

9/16	Atlantic City, NJ
9/18	Cincinnati, OH
10/7	Atlanta, GA
10/9	Ft. Lauderdale, FL

Food Cost Management

9/9	Columbia, SC
9/16	Lexington, KY
9/18	Westchester, NY

Foodservice Operators' Legal Workshop

9/15	Atlantic City, NJ
10/14	Richmond, VA

Menus That Sell!

9/22	Lancaster, PA
10/14	Cape Cod, MA

Negotiating for, and Financing, Foodservice Facilities

8/25–26	New York, NY
10/16–17	Raleigh, NC

Off-Premises Catering

9/9–10	Baltimore, MD

Operational Analysis

10/6–7	Washington, DC

Planning and Implementing Restaurant Marketing Strategy

9/9–10	Seattle, WA
10/7–8	Phoenix, AZ

Planning Successful Buffets

8/18	Cincinnati, OH
9/3	Atlanta, GA

Real Estate and Restaurant Site Selection

9/8–9	Nashville, TN
10/14–15	Milwaukee, WI

Restaurant Design and Facilities Planning

9/17–18	Vienna, VA
10/8–9	New York, NY

Stress and Foodservice

9/8	Springfield, VA
9/24	Greensboro, NC
9/29	Columbus, OH
10/15	Sacramento, CA
10/16	Burlingame, CA

Wine and the Bottom Line

10/6	Denver, CO

STUDY GROUP MEETINGS

Large Independent Operators (LIO)

8/20–22	Toronto, Ontario, Canada

Internal Audit

9/16–19	San Francisco, CA

MIS (formerly EDP)

10/14–17	Monterey, CA

Financial Officers

10/15–17	Williamsburg, VA

Tax Executives

10/15–17	Williamsburg, VA

Quality Assurance

10/22–24	Boston, MA

Market Research

10/8–10	Scottsdale, AZ

Marketing Executives

10/19–21	New York, NY

Foodservice Purchasing Managers

10/9–10	San Francisco, CA

MAECO

10/1–3	San Diego, CA

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

NATIONAL CONFERENCES

National Conference on Marketing, Advertising and Promotions

8/17–20	Chicago, IL

Eleventh Annual California Wine Workshop

9/29–**10**–3	Monterey, CA

National Conference on Catering

11/16–19	New Orleans, LA

Independent Foodservice Operators' Conference

1/18–21/87	San Francisco, CA

National Conference on Computers in Foodservice

3/8–11/87	Dallas, TX

For more information, contact
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Vol. 6 No. 7 AUGUST 1986

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NRA NEWS (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to *NRA NEWS*. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices. Copyright ©NRA 1986. Postmaster, send address change to *NRA NEWS*, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

G. "Jim" Hasslocher
President
Frontier Enterprises
San Antonio, Texas

No doubt you have read accounts in recent months of government's continued intervention in our business. Unfortunately, there is no end in sight. But there is hope that future policies will reflect the needs and concerns of our industry.

It is through forums, such as NRA's upcoming second annual Public Affairs Conference, that you are able to speak directly to Washington policymakers, giving them the insight and materials they need to develop informed legislation and regulations.

NRA Public Affairs Conference scheduled for September

Be sure to put NRA's Public Affairs Conference on your calendar, September 22–24, Washington, DC. At this year's conference, you will have an opportunity to meet with your members of Congress and listen to key government officials review the current policymaking climate in Washington. Speakers already on the conference agenda include Labor Secretary William Brock, Health and Human Services Secretary Otis Bowen, Senate Budget Committee Chairman Pete Domenici and syndicated political columnist George Will. For more information and to register, see the back cover of this issue of **RESTAURANTS USA.**

NRA works to maintain employee meal deductibility

On the subject of current legislation, NRA is working actively to maintain full deductibility for meals served on premise to restaurant employees. At the association's request, Senator William Armstrong (R-CO) has inserted a statement in the Senate record which makes it clear that the limit on business meal deductions was not intended to cover meals provided for employees. NRA staff continues to monitor attempts to reconcile the House and Senate version of the tax simplification bill.

NRA/IRS develop video program on tip reporting

In other Washington activities, NRA is currently working with the Internal Revenue Service (IRS) to develop a video program for employees called *Tips and Taxes*. Through a conversation between two servers, the video emphasizes the importance of tip reporting and outlines the procedures for making full disclosure of tip income. *Tips and Taxes* will be available through NRA in mid-September at cost of production.

NRA annual report chronicles 1985–86 association achievements

Key association members will find a copy of NRA's *1985–86 Annual Report* in the mail this month. The theme is "NRA On the Move," and the report reviews the tremendous achievements of NRA over the past year. As you read through this year's report, I'm sure you will feel the sense of pride which I felt.

Members participate in hourly wage study

Key members should also have received a special mailing asking them to participate in a survey on average wage rates for hourly employees. If you have not yet returned the completed questionnaire, please do so as soon as possible. Your participation is essential to provide a broad base for this important research project.

NRA conference on marketing later this month:

Last minute registrations can still be accepted for NRA's National Conference on Marketing, Advertising and Promotion, August 17–20, Chicago, IL. This year's conference promises to provide the experienced marketer and the independent operator with current, useful information for building a strong market identity as well as successful promotions. Contact NRA's education programs department to register.

During July, 152 foodservice operators and allied suppliers become members of NRA. We welcome you. Your participation in NRA will make your business grow and make your association function more effectively on your behalf.

Sincerely,

Jim

G. "Jim" Hasslocher
President and Chairman of the Board

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September 7 is Grandparents Day

Rome wasn't built in a day and neither is a national holiday. But Grandparents Day, the first Sunday in September after Labor Day and September 7 this year, has made considerable strides in popularity since it originated eight years ago.

The National Restaurant Association reports that 20 percent of all American families dine out on Grandparents Day, only nine percentage points less than Mothers Day, the most popular family holiday of the year.

But that was not always the case. When Michael Goldgar—a grandfather himself—conceived the idea for the holiday eight years ago, little did he imagine the extensive lobbying, the drain on his personal finances and the amount of public persuasion he would need to put Grandparents Day on the holiday calendar. But congressional legislation made Goldgar's dream a reality.

The National Restaurant Association has developed point-of-sale materials to help you promote the holiday in your restaurant. To order these Grandparents Day posters and table tents, contact: National Restaurant Association, Communications Department, 311 First St., N.W., Washington, DC 20001, (800) 424-5156 or (202) 638-6100 ext. 245.

Sunday, September 7
Celebrate
Grandparents Day
To: Grandma + Grandpa
Let's all go out to dinner!!

NRA table tent for Grandparents Day

More foreign involvement at 1987 NRA Show

No sooner did the 1986 NRA Show end than plans began for next year. Representatives of foreign countries are already starting to tour the new 369,000 square-foot exhibition building, now in its final stage of construction at McCormick Place. It will play host to 13 foreign countries who have committed to having an international pavilion at the 1987 NRA Restaurant, Hotel-Motel Show.

Because of the large size of the new facility, three of the smaller exhibit levels—the #7 concourse and the two floors in McWest—will be consolidated into the new space, which also has plenty of room for additional exhibitors.

"We're excited about expanding into the new building and broadening the market base of the association," says NRA President G. "Jim" Hasslocher.

The participating countries will include Austria, New Zealand, Italy, Portugal, the Netherlands, France, Spain, Belgium, Switzerland, Germany, Great Britain, Australia and Sweden.

Tom Corcoran, NRA convention director (right), and representatives of the Italian delegation discuss the layout of the new McCormick Place.

Too many to count

Let's say a fast food restaurant sells pizza in three different sizes with 10 different toppings. And let's say that restaurant was required to place ingredient labels on the wrappers of the food it sells. How many boxes with different labels would be needed?

The U.S. Department of Agriculture (USDA) says 300, but when National Restaurant Association (NRA) President G. "Jim" Hasslocher cited that figure in an article appearing in *USA TODAY*, angry letters poured in. It is not that people disagree with the association's stand against mandatory labeling in restaurants, but rather they think the figure is wrong.

One budding math genius wrote that anyone who could count knew 858 boxes with labels would be required. Another correspondent suggested 1,028, and yet another, 3,072.

NRA officials admit that they are stumped. Obviously, you start by figuring how many combinations can be put together from 10 different toppings, and then three different sizes means you multiply by three.

How many pizza boxes does it take?

But what about double mushrooms or double pepperoni? Since ingredients are always listed in order of predominance, does a double order mean you need yet another box with another ingredient listing?

Of course, the congressmen debating mandatory ingredient labeling have no idea how many new wrappers their legislation would generate. It is easy to figure how many cups would be needed. Instead of small, medium and large, you would need three different cups for every different drink offered for sale and perhaps three more for water. But how many pizza boxes remains a mystery.

NRA hosts picnic for congressional staffers

Last month NRA hosted more than 400 top aides to U.S. senators and representatives at a summer picnic in the outdoor courtyard of the Russell Senate Office Building on Capitol Hill.

The goodwill gesture was catered by ARA Leisure Services of Philadelphia, PA, and the Senate Restaurant Systems. The luncheon picnic featured freshly grilled brochettes of veal, chicken, beef and lamb; individual picnic baskets of chilled pasta salad, imported cheeses and fresh summer fruits; and take-home bags of Larry's Cookies.

The event, sponsored by the NRA Political Education Committee (NRA-PEC), gave NRA government affairs staff and other industry representatives the opportunity to meet key congressional aides in an informal setting and "show off" some of the industry's best fare.

NRA-PEC (PEC) Chairman Richard E. Marriott called it "an unqualified success" and thanked the more than 60 foodservice suppliers for contributing generously to the Political Education Fund over the past year.

NRA hosts picnic for congressional staffers.

FDA bans sulfites in fruits, vegetables

The Food and Drug Administration (FDA) has banned the use of sulfite preservatives in raw fruits and vegetables (except potatoes), effective Aug. 8, 1986. Sulfites have been linked to as many as 13 deaths and 500 severe reactions, mainly among asthmatics.

NRA has consistently supported a ban on the application of sulfites at the restaurant level, asking NRA members since early 1983 to discontinue use voluntarily.

Public concern over the anti-browning agent has been mounting since late 1982, when reports of adverse reactions became more frequent and received greater publicity. FDA then began reconsidering the "Generally Recognized as Safe" (GRAS) status which had been accorded sulfites since 1959.

In the last four years, FDA has, at various times, commissioned a scientific panel to study the issue, solicited public testimony and received pressure from Congress to take some kind of action. It has considered full bans, partial bans and labeling as possible solutions.

This final rule, published in the *Federal Register,* July 9, applies to all fruits and vegetables, packaged or unpackaged, to be sold or served in their raw states. The ban extends to raw, frozen foods which are simply thawed before consumption—frozen guacamole or certain frozen fruits, for example. NRA recommends that you carefully check with your suppliers to find out if any such packaged food has had sulfites added.

The use of sulfites in other foods used in restaurants—including potatoes—will be addressed in a later *Federal Register* document.

An additional rule, to go into effect Jan. 8, 1987, broadens requirements for sulfite labeling for packaged foods. At that time, any packaged/processed food containing more than 10 parts per million (ppm) of sulfites must be labeled.

The new FDA rules do not preempt existing state regulations. Be sure to check with state and local health officials to make sure you are complying with state and local controls.

Tax bill waits for final approval

Final congressional action on tax reform was just beginning as this **RESTAURANTS USA** went to press. House and Senate conferees began meeting in mid-July to iron out differences between the House and Senate tax overhaul bills and are expected to finish later this month.

Once the conference committee works out a compromise, a conference report will be sent to both chambers for final approval. Acceptance of the conference language is the last stop before the legislation goes to President Reagan's desk for his signature.

Both the House and Senate bills contain an 80 percent limit on deductions for business meals and entertainment expenses, so it is unlikely that the conference committee will make any changes in this NRA-opposed provision. Some technical clarification may be provided, so NRA is carefully monitoring the conference proceedings.

Also of concern to foodservice operators is the outcome of provisions to retroactively extend the expired Targeted Jobs Tax Credit (TJTC). The credit—widely used by restaurateurs—expired on Dec. 31, 1985. The House bill would extend the credit for two years; the Senate bill would extend it for three.

Public Affairs Conference set for September

Labor Secretary William Brock, Senate Budget Committee Chairman Pete Domenici (R-NM), House Majority Leader Jim Wright (D-TX), Pulitzer Prize-winning political commentator George Will—these are just a few of the prominent speakers that will be featured at NRA's Washington Public Affairs Conference, September 22 to 24, 1986, at the Park Hyatt Hotel in Washington, DC.

Conference activities will include presentations by national leaders, panel discussions on legislative/regulatory policy, a congressional reception and, perhaps most important the opportunity to lobby Congress on restaurant issues.

For more information on the conference, see the back cover of this issue or contact the NRA Government Affairs Department in Washington, DC, at (800) 424-5156 or (202) 638-6100. The conference fee is $175 and does not include transportation or hotel accommodations. Space is limited, so early registration is advised.

New bill proposed for family, medical leave

The House Education and Labor Committee approved bill H.R. 4300 in June which would require employers to grant their workers up to 18 weeks of unpaid parental leave every two years and 26 weeks of unpaid disability leave each year if an employee is seriously ill. Combined parental and medical leave could be limited by the employer to 36 weeks per year.

Employers would also be required to guarantee leave-takers' reemployment in the same position or an equivalent one and to continue health insurance coverage. Employees who elected to continue health insurance would have to contribute the same portion of insurance premiums they did when working.

The legislation, which has also been introduced in the Senate (S. 2278), is opposed by NRA and other business groups. NRA believes that parental and disability leave is an excellent employee benefit, but the federal government should not be allowed to mandate which benefits an employer will provide. The legislation would be especially burdensome for small firms.

H.R. 4300 may be considered on the House floor before this session of Congress ends. The Senate bill is not moving as quickly and may not see action this year.

Polygraph bill now in Senate

Lie-dectector tests would be banned for employment purposes if bill S. 1815, approved by the Senate Labor and Human Resources Committee in June, becomes law. The bill would prevent employers from requiring, requesting or suggesting that employees or prospective employees take lie-detector tests for any purpose. The only exception would be those in the private sector who have access to classified information, such as contractors working for the Department of Defense.

NRA and other business groups oppose the bill, believing that lie-detector tests help screen employees for theft and drug use.

A similar bill was passed by the House in March. The House bill, which exempts a greater number of employers—day-care centers and nursing homes, for example—was challenged on the House floor by a compromise bill supported by NRA. Instead of outlawing polygraph testing, the compromise bill would have established procedures for the licensing of polygraph examiners and would have specified the types of questions which may be asked in tests. The compromise bill did not pass.

A number of senators who feel S. 1815 is too far-reaching will try to prevent the bill from reaching the Senate floor.

Four states institute fast food disclosure

Certain fast food companies in at least four states have recently been asked by their state's attorney general to institute some type of ingredient-disclosure programs in their restaurants. Three more states are said to be considering similar action.

Five chain operators in Texas and California have agreed to post signs in their units announcing the availability of ingredient information. In Louisiana, five chains will begin providing point-of-sale ingredient and nutrition information within the next few months. And in New York, negotiations are under way with individual chains to bring about disclosure. Some of the push behind these state actions comes from the Center for Science in the Public Interest (CSPI), a Washington-based consumer group.

State action on the issue coincides with the recent introduction of two bills in the House and Senate which would require ingredient labeling for packaged fast foods. NRA believes that although concerned consumers should be able to find out what is in the food they eat, mandatory labeling is an unworkable solution.

The McDonald's Corporation recently published a 37-page booklet detailing both ingredient and nutrition information. It becomes available for distribution to concerned customers in all McDonald's outlets in mid-August. Burger King, Wendy's, and Kentucky Fried Chicken also have announced plans to provide this kind of over-the-counter information within the next few months.

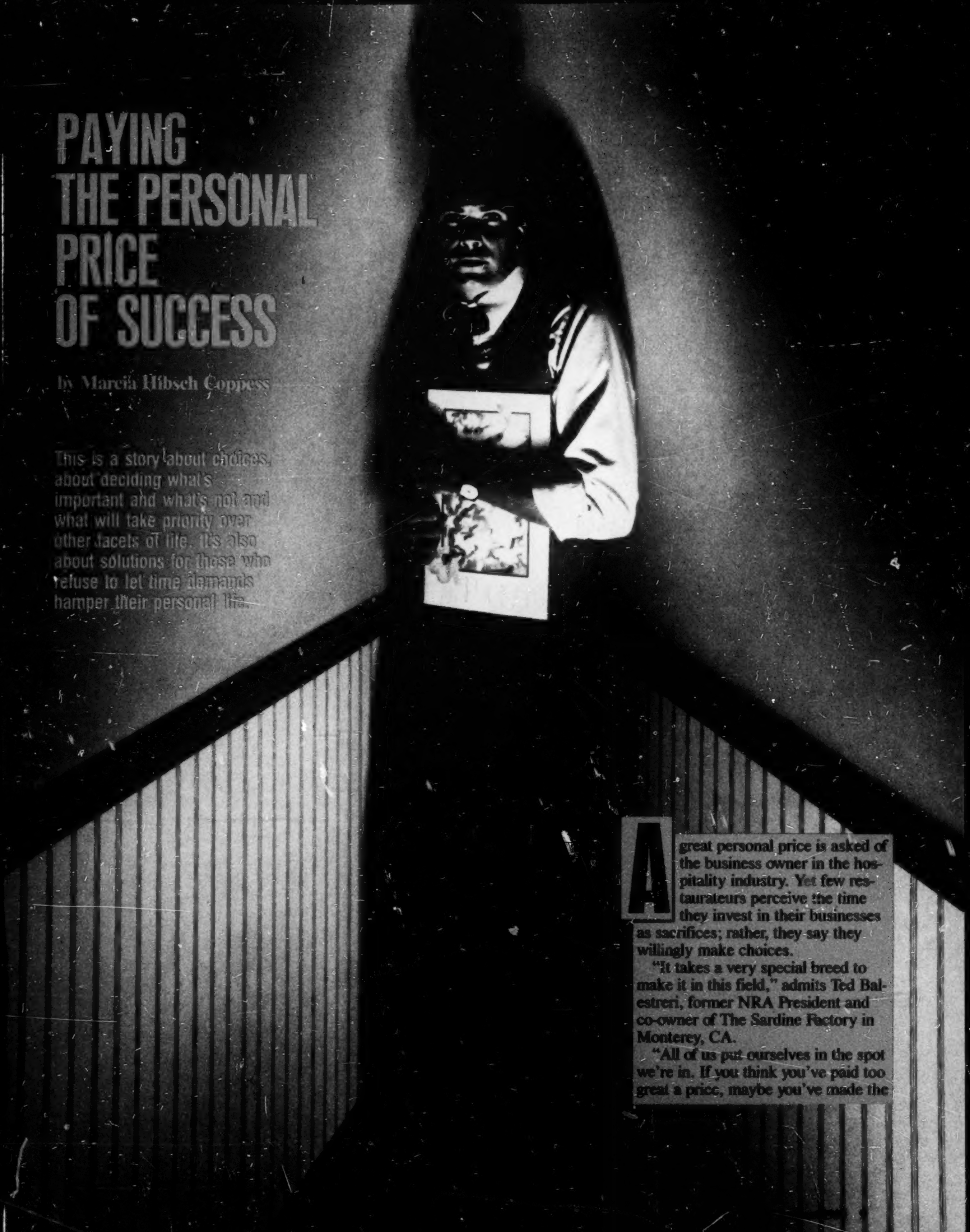
An NRA task force continues to monitor state and federal activity on the issue. In late August, NRA will testify before an FDA advisory committee considering the issue of ingredient labeling.

—Jay Morris
—Denise Roach

PAYING THE PERSONAL PRICE OF SUCCESS

by Marcia Hibsch Coppess

This is a story about choices, about deciding what's important and what's not and what will take priority over other facets of life. It's also about solutions for those who refuse to let time demands hamper their personal life.



A great personal price is asked of the business owner in the hospitality industry. Yet few restaurateurs perceive the time they invest in their businesses as sacrifices; rather, they say they willingly make choices.

"It takes a very special breed to make it in this field," admits Ted Balestreri, former NRA President and co-owner of The Sardine Factory in Monterey, CA.

"All of us put ourselves in the spot we're in. If you think you've paid too great a price, maybe you've made the wrong choice," adds NRA Director Steve Elmont of Creative Gourmets, Ltd. in Boston, MA.

What inspires those who choose this career, knowing that nights, weekends and holidays will not be their own?

Why they pay the price . . .

"Successful people, especially self-employed people, get tremendous satisfaction from building up a business or taking on a new challenge," says Wayne Resnick, Ph.D, of Potomac Psychological Resources in Alexandria, VA, who frequently works with entrepreneurs.

"Once that fire of ambition is lit, a lot of them start building skills that will eventually become a powerful business machine," says David L. Charney, M.D., medical director of Roundhouse Square Psychiatric Center in Alexandria, VA. "Money is only the superficial measure of success; The essence of what they seek is respect and approval from themselves and others."

Dr. Charney adds that most of the successful people he counsels thrive on adversity. "They love taking seemingly insurmountable challenges and, by the forces of their skill, character and determination, pull off one success after another. Their self-esteem comes from doing the impossible."

Of course, it's hard to accomplish the impossible in 40 hours a week. And life gets even more complicated when the restaurant operator adds a spouse and family into the schedule. With all the urgencies pressed upon him every day, how does the restaurateur find time for family, friends and recreation? Decisions often vary with age and the security of the business.

Getting started takes time, hard work . . .

Some operators, especially the younger ones, postpone marriage and family until they are established. They seek out friendships with other restaurateurs who share a similar schedule and temperament to avoid the distractions and conflicts that can arise when priorities are different. But once they achieve some professional goals, they are interested in developing a personal life more in line with the social norm.

Marcia Hibsch Coppess is a freelance writer in the Washington, DC, area. Her last article for **RESTAURANTS USA (NRA NEWS)** *was "Dietary Schizophrenia: Is America really counting calories?"*

"The focus of my life has been my career," says 28-year-old Mary Sue Milliken who, with Susan Feniger, operates The City Restaurant and City Border Grill, both in Los Angeles, CA. "My career has meant so much to me that missing a movie or not seeing a concert along the way just hasn't bothered me," she says.

Feniger, 33, adds, "My incentive was to imitate the kind of apprenticeship many European chefs receive from their early teen years. So I chose a game plan that called for me to work as long and as hard as I could for the first 10 years."

Both women sought experience and training above all else. They gladly worked 14½-hour days, often for very little money. At one point in her training, Feniger worked in the kitchen of the three-star restaurant, l'Oasis, in the South of France. Her $1,000 stipend for that period (11 months) amounted to only 25 cents an hour.

"I made the decision that money wasn't important," she states simply. "After graduating from the Culinary Institute of America, I could have gone into hotel management where the money was or to a small restaurant where I could learn from a skilled chef. I chose smaller restaurants and traveled from one to another, staying about a year at each one. Nothing in my life was more important than the goal of learning all I could as fast as I could. I even gave up reading novels so I could spend more time reading cookbooks.

"All this work has been okay with us because we're young," says Feniger. "But we both feel it's important to find a balance in life. Now that we've become more secure in our professional lives, we encourage each other to be out of the restaurant as much as possible. The work ethic that says, 'If you're not working 18 hours a day, you're not working' is no longer necessary."

Milliken adds, "It's becoming clear to me that if I have other parts to my life I can work better, be more productive and even act more human."

Now that the restaurants she shares with Feniger are getting on their feet and she can relax a few hours more per week, Milliken says she would consider fitting a family into the scheme of her life. "But I won't give up my work. I'm going to do it all."

"I sometimes wake up before it's light outside and lay in bed wishing time would pass faster so I could go to work."

Juggling work and family . . .

Some restaurateurs are already doing it all, juggling their business with a marriage and a family.

"You just spend the remaining four hours a day with your family," says NRA Director Thad Eure, owner of The Angus Barn in Raleigh, NC, who has been married for 32 years. "The only way I know to stay married in this business," he observes, "is to have an understanding spouse who supports what you do. Sometimes you feel guilty about all you neglect. But your family has to understand that both family and business share the number one spot in your life."

Eure adds, "I sometimes wake up before it's light outside and lie in bed wishing time would pass faster so I could go to work. In order to make it in this field, you must develop a love affair with your business. Then, the time you invest and the crises you face aren't a problem. They're just part of the fun."

NRA Director Walter Conti, owner of Cross Keys Inn in Doylstown, PA, agrees. "Succeeding in this business requires a solid commitment of 10 to 20 years. The work doesn't end after that, but the load lightens.

"Today's parents must think about things we didn't have to consider," Conti adds. "We didn't wonder whether to go to a son's football game or to work. We went to work, and there was no guilt about missing the game. Now there are more demands on parents to participate in their children's day-to-day lives."

Dr. Resnick agrees that today's hardworking father has new pressures his father and grandfather didn't have. "The father's role is changing as society adjusts to women at work and other factors," he says. "Fathers are now expected to be more active participants in school, housework and parenting without changing the amount of work they do on the job or the money they bring home.

"Kids feel a greater loss today, too," he says. "Even if they get far more attention from dad than previous generations did, they are exposed to super dads on television and hear about attentive dads at school. So fathers get pressure from their kids."

Restaurant operators have found many solutions and compromises to raising their children. Ted Balestreri, for example, took his eldest son on some cross-country meetings during Balestreri's tenure as NRA president.

"Rather than trying to separate the time I needed to spend working and the time I wanted to spend with my son, I combined the two," Balestreri says. "My son was 12 years old while I was traveling, and he immensely enjoyed all he saw. Now when I discuss something at home he knows about the issue and feels involved."

Conti had his own combination of loyalty to job and fatherly attention. "I wasn't always at my son's preschool shows, and I didn't always make it to the Little League games," he says. "But maybe the next day we had a special little breakfast, or we played catch and discussed his game for a while before I went to work. I did anything to let him know he was special."

"One absence doesn't make the difference," notes Dr. Resnick. "It's the pattern of a child always being second to the job that a child notices. Individual events are less important than making it clear by one's behavior that the child and his activities are important."

Having a partner helped Eure give his family the attention they periodically needed. "When we really needed to get away for family affairs or time off, my partner and his wife could carry the load for a while, and we could do the same for them. Having a partner enabled me to spend time with my children," he says.

The casualties . . .

Unfortunately, not all partnerships work out, even those between spouses. Jackie Etcheber, of Jackie's in Chicago, IL, found that the price of success included the dissolution of her marriage. According to Jackie, as her success grew from a taco and sandwich shop to a restaurant that *Chicago* magazine called one of that city's new highlights, her obvious success pulled her and her husband apart.

"It had mostly to do with the attention I was getting, the competition between us and his jealousy," Etcheber believes. "In the last few years I have grown up and matured. I developed my concept, my ideas, my confidence. It's hard for a woman to be successful and a man to follow behind like a shadow." Although they went to marriage counselors and psychiatrists, the Etchebers could not reconcile. They now operate separate restaurants.

Some other operators with spouses not in the business have not fared much better. They report that jealousy was not of the spouse's success, but of the spouse's love for the business. "My business is my first love," one operator said, "and my wife could not stand the competition."

But jealousy isn't the only threat to a restaurant family. Too much work and no play, especially among couples who work together, can strain a marriage—and a business—to the breaking point.

Dr. Resnick suggests that a working couple have "home rules" about shop talk after hours. For instance, those rules might be: 1) never discuss work after 10 p.m., 2) never discuss work in the bedroom and 3) never discuss work in the car on the way home.

Olga Ertesnek, who with her husband, Jan, founded the Olga lingerie firm, found that her husband had trouble separating home from work. She solved the problem by fining him 25 cents for every word he spoke about work after business hours. She doubled the fine on Sundays until she broke her husband of the habit.

Some young restaurateurs find that the attraction of the business is too much to resist, so they put off marriage and family for a few years. Alan Armstrong knew his wife for 10 years before they married. The last six years were Armstrong's first years as owner of Tiffany Center Square in Center Square, PA.

"We lived on the third floor of the restaurant for the first five years of our marriage," recalls Joan Armstrong. "And we put off having children until Alan could be home more. Then we moved three country miles from Tiffany Square. So, although he still works long hours, Alan often fixes breakfast for the kids before he goes to work. Our daughters have a pretty solid idea of who dad is."

Not everyone has the stamina to outlast years of dues paying. "If you're a superstar and can reach a high level at a young age, that's great," muses Renee Loustaunau, who spent more than a decade in the restaurant business, including three years as dining room manager at Les Champs in the Watergate Hotel in Washington, DC, and two years running an oyster bar in The French Quarter in New Orleans, LA.

"But if you aren't a star, the industry can just chew you up," she continues. "At 38, the hours started to kill me. I wasn't a kid anymore. I saw 23-year-olds coming up in the business with the stamina and guts to make mistakes and keep coming back for more. They beat their way to the top because they had the energy. I couldn't do it anymore. But what was most discouraging to me was seeing those with better jobs than I and realizing that, though they made more money, they had even worse schedules and more interruptions in their lives."

Loustaunau now works at an IBM subsidiary and says, "I haven't looked back since I left. When I was in the industry, I didn't know that some people came home feeling like doing anything more than collapsing. Now I sometimes walk in the door and think, 'Wow, I can make plans, see friends, or go out.' I have a life outside my livelihood."

Not everyone is able to walk away from a career as Loustaunau did. "Most ambitious, entrepreneurial people won't give up until they're almost forced to," says Dr. Charney. "Unless they are faced with a critical domestic situation, like a child on drugs or a wife who leaves them, younger successful business people seldom seek help.

"Until a businessperson is in his mid-fifties, he's typically not interested in listening to solutions. He's too busy and hasn't developed a sense of accomplishment. The exception is a person of any age who encounters a difficult situation and is able to overcome his need to operate as a lone wolf. That person is usually very successful with solving personal problems and keeping his professional life on track."

Suggestions for warding off conflicts. . .

To ward off personal and professional conflicts, here are suggestions from restaurateurs and psychologists on how to balance your family life with your business:

- Understand your commitment and priorities. Where does the job fall? The marriage? The children? Are you comfortable with the current arrangement? If not, take small but specific steps to change directions.
- Discuss with your spouse the amount of time your job requires and what is expected of you at home. Then arrange your schedule to accomplish both obligations.
- Limit the number of hours you work at home. When you are home, be *home*.
- Celebrate holidays together, even if it means that Christmas falls on December 26 and Mother's Day is on a Monday.
- Live nearby to reduce commuting time.
- Be willing and ready to slow down and enjoy your success when it comes. Take a day off once you have a well-trained staff.
- Become involved in school activities. Sponsor a field trip to your restaurant for your child's class. Host a pre-game meal or an awards banquet. Or let your child take you to school for "show and tell". That's what Alan Armstrong did. He became chef-for-a-day and made ice cream for his daughter's pre-school class.
- Involve the family in restaurant celebrations. Host a dinner for them on the restaurant's anniversary or invite them to the opening of a new operation.
- Schedule time for yourself and your family just as you schedule meetings with your managers and vendors.
- Avoid using drugs, alcohol and caffeine as relaxants or stimulants. They will only make matters worse.
- Invite the children "to work and dinner with daddy" once or twice a year.
- *Need* your spouse. Be willing to ask for a shoulder to cry on, a person to celebrate with and a confidant to turn to for advice and ideas. Don't carry the load alone. ❑

VIEWPOINT

by Harry Klingeman

WELLNESS THROUGH EXERCISE DOES WORK

I am not an exercise junkie addicted to keeping physically fit. I am a restaurateur just like you. Seventeen years ago I graduated from Michigan State University as a skinny kid weighing 133 pounds. I started a career in the restaurant industry, and soon my weight ballooned to 190 pounds. Not only was I fat for my build, but I also smoked 2½ packs of cigarettes a day and became a workaholic. My life was out of control.

I ate, smoked and worked in a constant cycle until I discovered exercise, which helped me take control of certain aspects of my life—my time, diet, appearance and self-awareness. I started to run and quickly lost 25 pounds. I then became more serious about my running, and for eight years have maintained a weight around 145 pounds. Although I now enjoy exercise on a competitive basis and have completed numerous marathons and triathlons, my real motivation is to stay healthy.

Staying healthy in our business is not easy to do because of demanding schedules and our passion for food. A regular program of exercise can help bring our lives into balance by building general fitness, improving alertness and stamina, reducing tension, increasing cardiovascular efficiency and helping control weight. Even if you are naturally thin, you should still exercise for your heart, lungs, muscle tone and flexibility.

Harry Klingeman, today, versus 11 years ago before he discovered the benefits of exercise, inset.

In addition to these physical benefits, there are very positive mental benefits. As our body physically responds to a fitness program, our mind responds with renewed hope, self-esteem and confidence, which carries over into other aspects of our lives. During exercise, the mind is free to wander and take a needed escape from work. Creative thoughts are unblocked and often when I run it seems like new ideas appear from thin air. When balanced with other personal and professional activities, exercise allows life to feel whole, which leads to the most important goal in life—peace of mind.

How much, how often?. . .

It doesn't take a lot of exercise to get these very important benefits. Studies show that aerobic exercise three times a week for a 30-minute duration physiologically induces cardiorespiratory fitness. That's the minimum goal; the maximum is five times a week since little extra is gained by exercising more than this amount.

The aerobic activity you choose must use your large muscle groups and large amounts of oxygen, and it must be continuous. You can try brisk walking, running, swimming,

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NRA Director Harry Klingeman is president of The Indian Trail Restaurant in Winnetka, IL. His last article for **RESTAURANTS USA (NRA NEWS)** *was "Fight Stress from the Inside Out."*

hiking, cross-country skiing, rowing or aerobic dancing as long as you maintain your optimum target heart rate. This rate is generally computed as 70 percent of 220 minus your age. Therefore, a 40-year-old man, for example, would try to elevate his heart rate to 126 (70 percent × 220 − 40).

Non-aerobic exercises and sports, such as social tennis, baseball, golf or weight lifting, will develop muscles, tone the body and improve flexibility and balance. However they will not vigorously exercise the heart and lungs nor burn many calories.

What type of exercise? . . .

The range of exercise options is vast. The choice is up to you. The library and magazine shelves are filled with how-to books on all types of exercise. With the rapid growth of health clubs, YMCAs and YWCAs, fitness centers and hospital-sponsored exercise classes, there is really little excuse for not starting. The only precaution you need to take is to make sure you are physically able to proceed with high-intensity exercise; a doctor's examination is therefore a necessary prerequisite.

Overcoming obstacles . . .

The biggest obstacle to starting a fitness program is fear of change. Many people hesitate to begin exercising because they feel embarrassed. Of course, it is tough to start, but the short period of feeling awkward is nothing compared to the long-term benefits. It may take a few weeks to feel the improvements, but remember, you cannot correct years of neglect overnight. Once the improvements begin, one of the most significant changes you will feel is increased self-esteem. This newfound confidence then becomes a strong motivator to keep going.

If you lack self-discipline, perhaps beginning with a friend will help: Mutual support and motivation make it easier to continue. For somebody just starting out or wanting to maintain any exercise program, regularity is the most critical factor—not duration or intensity. Whether you begin with a friend or go it alone, measure your progress. You can buy an inexpensive log book at any sporting goods store. Simply jot down how much exercise you do on any given day and identify any particular feelings you may have. My first log entry said, "Ran a half mile, walked a half, ran a half. Thought I'd puke and die." A month later for the same distance I wrote, "Ran 1 ½ miles without stopping. Beautiful warm day. I feel great." The difference between the two is dramatic but not unusual. Exercise becomes easier over time, and the positive feelings increase. By recording my distance and my impressions, I was able to measure my progress and could not deceive myself about missing workouts.

Exploding the myths about exercise . . .

Some people do not begin an exercise program because of misconceptions and myths. Here is a look at some common stumbling blocks.

1. Exercise is a cure for everything. This is not true. Although exercise is good for your health and will allow you to look better and feel better, it will not perform miracles. Don't expect the impossible.

2. Exercise is boring. How you feel about your exercise program depends on you—not the program. Although exercise is work, most individuals talk about the satisfying, enjoyable experiences they have had exercising. Not only is there satisfaction from the effort but also there is often an increased awareness of yourself and the beauty of nature. My log book is filled with references to quiet mornings, beautiful sunsets, the smell of fall, warm breezes and so forth. Certainly this enjoyment of nature is never boring, especially for those of us who spend long hours indoors.

3. Exercise is painful or it will hurt me. Most activities carry risks, and exercise is no exception. Many sports injuries, however, come from weekend warriors who are basically out of shape and exercise infrequently. A steady, regular exercise routine will protect you against unnecessary injury by increasing your strength, flexibility, endurance and tone. Injuries also can result from trying to do too much too soon. By alternating stress and rest (an intense pace with a more relaxed one), many of these overuse injuries can be avoided.

4. I don't have time to exercise. Certainly the top-notch competitors spend a great amount of time exercising. However, for most people to find a few hours a week is a simple matter of setting priorities. The time spent exercising is an investment that can add years and zest to your life. It is so much easier to give to someone when you have already given to yourself. Resentment of the demands others place upon you melts away because you have already enjoyed your special time.

5. I'm too tired to exercise. Our industry requires long, active hours, and this chronic wear and tear drains our energies. However, most of the fatigue we feel is mental fatigue, not physical fatigue. By devoting a little energy to exercise, you will actually gain more energy. Studies show that exercise activates your adrenaline system, which makes you more alert. Exercise also increases the metabolic rate and produces endorphin hormones, which are mood-altering substances that act as a pick-me-up and improve appetite control. I often break up a 12-hour shift with a short midday run. A typical log entry reflects my enhanced mood: "Nice to be out of the kitchen, enjoying the fresh air. Feeling alive and restored, ready for the evening rush."

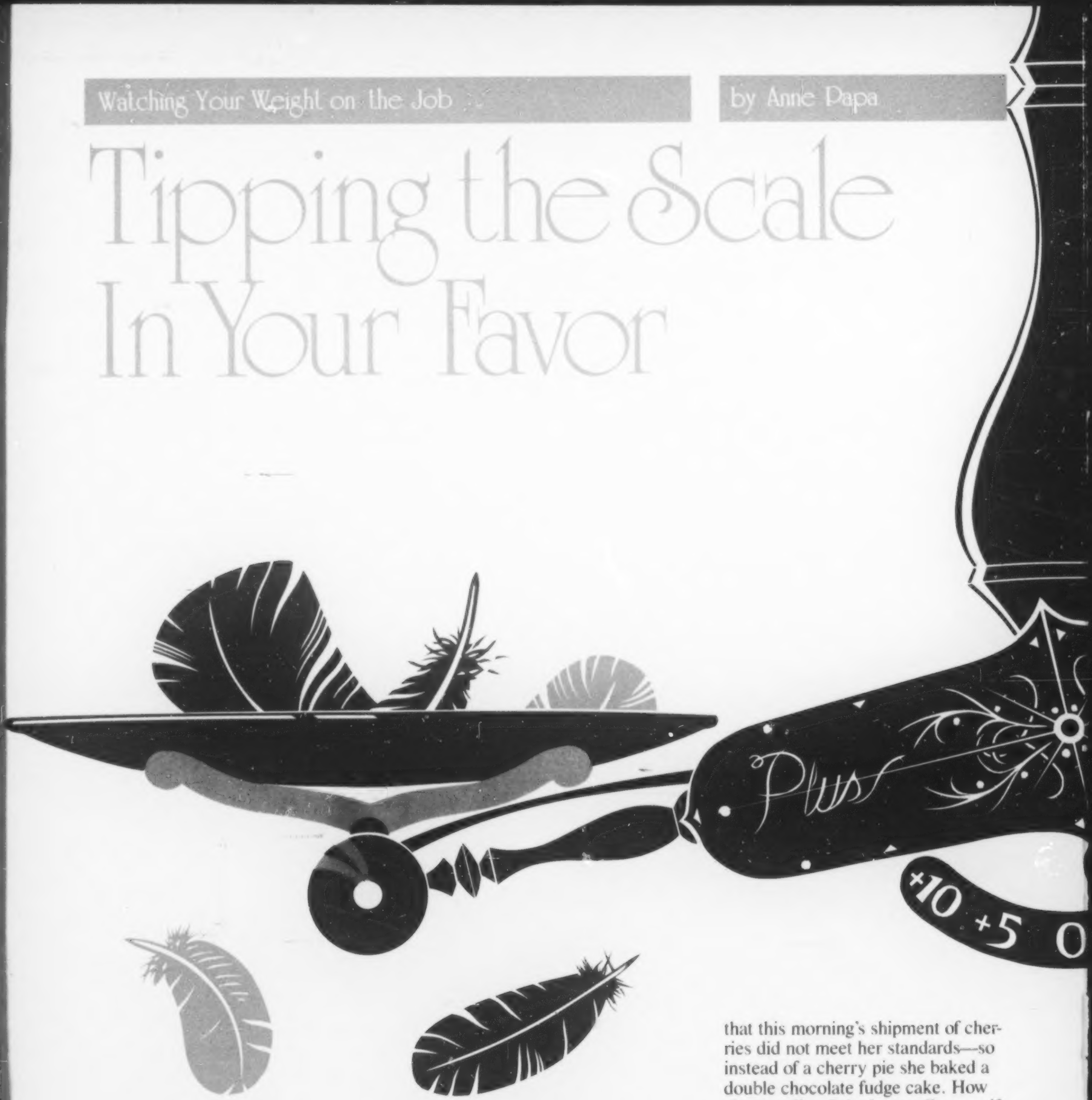
Another typical entry indicates how exercise can be a balancing factor from the chronic stress of the restaurant. "Great bike ride after a hectic, frustrating and tiring day." I'm sure that bike ride was no better or worse than any other but it just seemed great because it provided needed balance and a special time for myself.

6. Exercise won't work. When considering an exercise program, you must think long-term. There is no such thing as overnight success. People sometimes quit exercising because they become frustrated by the lack of immediate results. You simply cannot change the habits of a lifetime overnight. It's a constant process of improvement. Take joy in the process and remember, the tougher the first weeks, the greater the satisfaction and enhanced self-esteem you will enjoy later. Rest assured, you will see welcome changes if you exercise. My own experience is a testimonial. ❑

Watching Your Weight on the Job

by Anne Papa

Tipping the Scale In Your Favor



Today is the day, you swear to yourself as you enter your restaurant, that your diet begins. Today you will steel yourself against the aromas of freshly baked breads and rich, exotic sauces that permeate the kitchen. Today you will pass the chef's dazzling display of desserts without even a sideways glance.

But then you walk into the kitchen. Your chef insists that you sample his special version of beef stroganoff before it is introduced on the menu. As you help yourself to a slice of bread with which to soak up the extra sauce, your pastry chef informs you that this morning's shipment of cherries did not meet her standards—so instead of a cherry pie she baked a double chocolate fudge cake. How about a sliver? And you tell yourself while tucking a napkin under your chin, tomorrow is the day . . .

Temptation at every turn . . .

Under the best of circumstances, watching your weight is no picnic. But for the foodservice operator, whose very livelihood depends on the service of food and drink, the challenge of weight control is increased tenfold. Restaurateurs—as well as chefs, bartenders and servers—are

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Illustration by Armstrong

surrounded by food at every turn. "At the slightest hunger pang, there's always something around to dip your fingers into," laments one operator and frustrated dieter. In the restaurant business, the standard dieter's ploy of reducing temptation by making fattening foods inaccessible is not an option.

And not only does the constant availability of food create a conflict, but also the nature of the business itself—fast-paced, demanding, time-consuming—has led to many a dieter's downfall. Dr. Robert Brymer, associate professor of Hotel and Restaurant Administration at Florida State University and instructor of the National Restaurant Association seminar *Stress and Foodservice*, describes the scenario. "Eating is frequently used as a coping method," he explains. "You may be having a bad day. Your chef is mad at you. Your suppliers are running late. The busboy just quit. What you really need to do is get out for a quick jog or swim. But therein lies another problem—time constraints have chained you to the restaurant. So, instead, you alleviate stress in the most convenient way possible. You overeat."

Finally, often compounding the time constraints put upon the restaurateur is the inability to plan regular meal periods—and thereby develop sensible eating habits. The hours when most people are sitting down to breakfast, lunch or dinner are typically the busiest hours of the day for the foodservice operator. Therefore, food is frequently consumed at *all* hours—a bite here, a nibble there. Frequently, the day's only full-course meal is eaten at closing time, even though calories consumed late at night pose the biggest threat to the waistline.

The weight-control challenge . . .

Against such odds, how does anyone in the industry manage to stay in shape? Many who have tried and failed will attest that it is not easy, but those who have succeeded are proof that it can be done.

"Basically, it's a question of awareness," maintains NRA Director Dick Rodby, owner of Kemoo Farm, an upscale restaurant in Wahiawa, HI. "Yes, you are around food a lot. Yes, the temptation is there. But you have to be aware of what you eat. You must constantly remind yourself that everything has calories. It doesn't matter if you're standing or sitting, whether you're in the front or back of the house—the calories will still be the same."

Jay Treadwell, general manager of Washington, DC-based Ridgewell's Caterers, agrees. "There's a tendency in this business to eat almost unconsciously," he notes. "You're around food all the time, so you're not thinking about every little thing that goes in your mouth. By heightening your awareness, however, you're better able to monitor and control your eating habits."

Rodby and Treadwell have both controlled their weight through a combination of exercise and an increased awareness about the foods they eat. Here is a look at specific ways they and other operators have managed to resist the temptations inherent in foodservice:

***Eat well-balanced meals during regular meal periods.** The erratic, catch-as-catch-can eating habits of many operators are frequently their biggest downfall, says Claire Regan, R.D., staff nutritionist at the National Restaurant Association. "Many operators complain that it is impossible to plan meals," says Regan. "But actually, people in the restaurant business have an edge when it comes to meal planning. It's their restaurant. They know the menu. They also have a wealth of ingredients available that can be cooked to their specifications. The key is to take advantage of these resources."

Mark Erickson, chef manager of St. Andrew's Cafe at the Culinary Institute of America (CIA) in Hyde Park, NY, says he now takes full advantage of the fresh, nutritious ingredients at his disposal—but that was not always the case. "I ballooned to almost twice my normal weight when I first became a professional chef," he recalls. "My eating habits were indiscriminate, to say the least. But then I realized, if it was so easy to eat poorly with so much food around, it must also be easy to eat properly." Erickson began to structure his meals with an eye toward nutrition, keeping fresh fruits around for between-meal snacking. In this way he was able to trim down to his desired weight and feel healthier in the bargain.

Regan also emphasizes the importance of planning specific meal times each day. Aside from being a practical and nutritionally sound way to eat, says Regan, distinct meal periods can also be a form of behavior modification. "You simply decide that you will only eat food at breakfast, lunch and dinner," she says, "with no exceptions. You might even take every meal at one particular table in your restaurant. This type of mind-set then precludes any nibbling in the kitchen, your office, the walk-in—and it also precludes between-meal snacking."

***Do not eat late at night.** Planning meal periods will *not* help with weight control, however, if dinner is regularly eaten late at night. NRA Vice President Michael Grisanti, president of Grisanti Inc. (Louisville, KY) which operates Casa Grisanti, Sixth Avenue and Mamma Grisanti restaurants, says late night dining was one of the first habits he struggled to break during a recent diet. "I regularly ate a big meal at 10:00 or 11:00 p.m.—after the dinner rush," he recalls. "I now eat at 5:00 p.m., before dinner service begins. It was quite an adjustment because at the end of an evening I'm usually hungry. But the difference that shows up on the scale each morning makes the effort worthwhile."

NRA Director Mike Hurst, owner of 15th Street Fisheries in Ft. Lauderdale, FL, credits a recent 50-pound weight loss to his elimination of late-night snacking. "Our dinner business begins at 4:00 p.m. and runs non-stop until 11:00 p.m.," he explains. "There is literally no time to stop and eat. By the end of the evening, I'm all keyed up and starving. But I just eat fruit and drink plenty of water. My wife also clears the refrigerator of any snacks or leftovers that might tempt me when I get home." Hurst says he usually eats one big meal at the restaurant each day at noon, which carries him through the evening.

***Taste-test food in moderation.** Taste-testing food is an essential part of the restaurateur's job. Sampling new menu items, comparing recipe variations or determining what went wrong with a dish that has been sent back to the kitchen are all reasons why food must be tasted frequently. But the key word for the dieter to remember is *taste*—do not *eat*.

"If you just taste foods, you'll be okay," says Michael Grisanti. "If you end up 'tasting' the entire dish, then you run into trouble." Adds Michael Hurst, "If you care at all about quality, then frequent tasting is a must. But you don't need to eat an entire piece of cake to know whether it tastes good. And on the days when you do a lot of tasting, compensate by eating less at mealtime."

As a chef instructor at CIA's St. Andrew's Cafe, Mark Erickson says his students frequently ask him to taste recipes they are unsure about. But Erickson tells them, "If you're not confident with this dish, go back and fix it until you know it's good. Only then will I taste it." In this way, says Erickson, his students learn to rely more on their own opinions, and he is not required to taste as much food.

***Refrain from eating with customers.** Any successful restaurateur will say that he treats customers as though they are guests in his home. However, that does not necessarily mean they will sit down and dine with customers, even at their insistence. "You should never get to be your own best customer," maintains Michael Hurst. "Circulating through the dining room to greet customers is one thing, but spending an entire evening at one table is another."

Of course, this policy of not dining with guests has an added benefit for the dieter. Dick Rodby of Kemoo Farm, who also never sits down with customers, says staying on your feet is a great way to avoid temptation. "People don't take offense when you refrain from joining them for a drink or dinner," he comments. "You simply explain that you're working, or you might even say outright that you're trying to watch your weight. Everyone understands."

***Do not overlook the bottom line.** Another reason to refrain from eating on the job is that the food you consume is food that will not be sold.

"By eating in the kitchen or with customers, you're eating away at your profits," says Jay Treadwell of Ridgewell's. For that reason, Ridgewell's sets rigid company guidelines which prohibit consumption of food that is to be served. "Constant sampling of food amounts to pilferage, and the company treats it as such," says Treadwell.

***Stay physically active on the job.** Regular exercise is a primary component in any weight-loss plan (see the viewpoint in this issue of **RESTAURANTS USA**). But in addition to standard exercise, many operators find small ways to burn calories on the job. "Your job is as sedentary as you make it," observes Dick Rodby. "You can sit in your office all day so people come to you. Or you can stay on your feet, circulate among customers and personally oversee operations. Plus, the more physically active you are, the less time you have to think about food."

***Splurge on occasion.** Finally, even the most iron-willed confess to yielding to temptation occasionally. But most say these transgressions actually help them control their weight in the long run.

"Nobody is superhuman," says Jay Treadwell. "There are days when I'm walking through the bakery area, it's all I can do to keep from consuming everything in sight. So a small treat curbs that craving. Most foods won't kill you when eaten in moderation."

Adds Michael Hurst, "You can't punish yourself every time you cheat. You just make up for it in other areas. Everyone deserves rewards on a long-term diet. They help you forget that your diet is far from over—that is, if it ever ends." ❑

Check your Nutrition IQ

How much do you really know about food and its effect on diet and good health? Maybe less than you think. The following quiz, adapted from information in NRA's A Nutrition Guide for the Restaurateur, *will help you check your nutrition IQ.*

	True	**False**
1. Diet has been implicated in the development of several "killer" diseases.	______	______
2. People do not care about a healthful diet when eating out.	______	______
3. To gain a pound of weight you have to eat a pound of food.	______	______
4. Alcohol has more calories than fat.	______	______
5. It is recommended that Americans consume no more than 30 percent of their calories in the form of fat.	______	______
6. Butter has more calories than margarine.	______	______
7. Cholesterol intake should be limited to 300 milligrams a day.	______	______
8. Men need more calories than women.	______	______
9. Foods labeled "reduced" and "low calorie" have the same caloric value.	______	______
10. People subject to psychological stress have above average vitamin requirements.	______	______
11. A teaspoon of salt contains more than an adequate amount of sodium for most people.	______	______
12. Sea salt is a good low-sodium substitute for regular salt.	______	______
13. Ounce for ounce, beer contains more calories than wine.	______	______
14. Tonic water is a good low-calorie beverage.	______	______
15. Fiber is an essential nutrient.	______	______
16. Fiber comes only from plant foods.	______	______
17. Whole wheat flour has three times the fiber of white flour.	______	______
18. Adults do not need to drink milk.	______	______
19. Portion control is an essential part of a modified-fat or reducing diet.	______	______
20. Exercise should be incorporated into a weight-reduction program.	______	______

Answers

1. True. A diet high in saturated fat and cholesterol increases the risk of developing coronary heart disease, the major cause of death and disability in the U.S. A high-fat diet has also been linked to certain cancers and there is a positive correlation between the development of high blood pressure and sodium intake.

2. False. A recent NRA/Gallup survey found that four out of 10 consumers have improved their eating habits when eating away from home. Restaurant patrons claim to be very likely to try fresh fruits, lean meats, broiled or baked fish or seafood and whole wheat breads, rolls and crackers.

3. False. Food energy is measured in calories, not pounds. It takes 3,500 calories to gain a pound of weight. Conversely, a caloric deficit of 3,500 will result in a one-pound weight loss. Therefore, to lose one pound of body weight in one week you must eat 500 fewer calories a day.

4. False. Fat is the most concentrated source of calories, with nine calories in every gram. Alcohol has seven calories in every gram—three more than protein or carbohydrates.

5. True. Most Americans consume too many calories in the form of fat—40 to 45 percent. Health professionals recommend reducing this proportion to 30 percent.

6. False. Butter and margarine have the same caloric content, about 45 calories per teaspoon. They do have different dietary factors, however. Butter is made from animal fat. Therefore it contains cholesterol, and most of the fat is saturated which tends to raise blood cholesterol levels. Margarine, while it is equal in calories, is made from vegetable oil and contains no cholesterol and little saturated fat.

7. True. Cholesterol consumption levels seem to influence blood cholesterol counts. So, doctors and dietitians recommend limiting it to no more than 300 milligrams per day. Cholesterol is produced in the liver of animals and humans so it is found only in animal foods, such as egg yolks and liver.

8. True. Men have a higher metabolic rate than do women and therefore need more calories. This has been attributed to men's higher proportion of muscle, but new evidence suggests the difference may be partially due to sex hormones.

9. False. The Food and Drug Administration (FDA) has different definitions for foods labeled low-calorie and reduced-calorie. A *low-calorie* food must contain no more than 40 calories per serving and no more than 0.4 calories per gram (11 calories per ounce). A *reduced-calorie* food must be at least one-third lower in calories and otherwise nutritionally equal to its non-reduced counterpart.

10. False. Psychological stress, such as worry or work pressure, does not increase the body's need for vitamins and minerals. However, major physiological stress or trauma, such as pregnancy, surgery or excessive alcohol consumption, often does alter the body's requirements for vitamins and minerals as well as for calories and protein.

11. True. A teaspoon of salt contains 2,132 milligrams of sodium. The safe and adequate range for adults is 1,100 to 3,300 milligrams per day. Sodium occurs naturally in meats, fish, poultry, milk, eggs and cheese. It is also added to foods during processing. Consequently there is plenty of sodium in our food supply without adding it during cooking or at the table.

12. False. The use of sea salt will not appreciably reduce the sodium content of a dish. Although sea salt has small amounts of some minerals not contained in table salt, sea salt is a significant source of sodium.

13. False. A dry table wine provides about twice as many calories per fluid ounce as does regular beer. Sweet wine has more calories while light beer has fewer. This common misperception is probably due to variations in portion size. A portion of wine is usually three to six fluid ounces while 12 ounces is the standard serving for beer.

14. False. Tonic water, unlike soda water or club soda, contains sugar and calories. A 12-ounce glass has 132 calories.

15. False. Fiber is not an essential nutrient, but it does play a valuable physiological role. Fiber provides intestinal bulk which stimulates normal gastrointestinal function. A high-fiber diet also has been identified as a beneficial factor in the treatment and reduction of the incidence of a number of diseases.

16. True. Fiber is the part of plants that resists digestion. Plants, such as grains, fruits, vegetables and nuts, contain a variety of fibers that are only partially digestible or completely undigestible.

17. True. White flour has been refined, a process during which the outer bran layer is removed from the wheat. This considerably compromises the fiber content. A one-half cup of white flour has two grams of fiber versus 6.4 grams in a one-half cup of wheat flour.

18. False. Adults should consume at least two cups of milk, preferably low-fat or skim, a day. Milk is an excellent source of calcium, a nutrient difficult to obtain when milk and dairy products are eliminated from the diet. Women, especially, are vulnerable to calcium deficiency. Osteoporosis, a debilitating bone disease, is thought to develop from years of inadequate calcium ingestion.

19. True. Some foods that naturally contain fat, such as beef, are permitted on a weight-reduction or modified-fat diet if the portion size is controlled. That is why most diets are specific about serving sizes. A six-ounce portion of lean beef has 334 calories, 14 grams of fat and 138 milligrams of cholesterol. A 10-ounce portion has 556 calories, 23 grams of fat and 230 milligrams of cholesterol.

20. True. Moderate, daily exercise not only promotes cardiovascular fitness, but it also increases energy expenditure, helps reduce fat stores, improves muscle tone and decreases appetite. ❑

—*Claire Regan, R.D.*

Revising recipes to improve nutritional quality

by Claire Regan, R.D.

Pâté de foie gras, tournedos of beef with four sauces, onion soup with melted cheese, coquille St. Jacques, Sacher torte, creamy chocolate mousse.

The mention of these classic dishes may make your mouth water, but eating a steady diet of these foods could be hazardous to your health. The reason? They are loaded with calories, cholesterol and sodium, and most of these foods have at least 50 percent of the calories in the form of fat. Currently, health professionals are recom-

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Claire Regan, R.D. is research manager, nutritionist for the National Restaurant Association.

The following are examples of traditional recipes that have been modified to improve their nutrient content.

Carrot Cupcakes

Yield: 8 cupcakes

- ¾ cup all-purpose flour
- ¼ cup whole wheat flour
- 1 cup sugar
- 1 tspn. baking powder
- ¾ tspn. baking soda
- 1 tspn. cinnamon
- ½ tspn. salt
- 2 eggs, beaten
- ¾ cup vegetable oil
- 1 cup carrots, shredded
- ½ cup crushed pineapple, drained
- 1 cup walnuts, chopped

Use all whole wheat flour

Reduce sugar to 1/3 cup

Use ½ tspn.

Add ½ tspn. nutmeg

Reduce salt to 1/8 tspn.

Use only one egg

¼ cup of oil is plenty

Increase carrots to 1½ cups

Use juice-packed pineapple and increase to ¾ cup

Delete nuts

Add one teaspoon of vanilla extract

Preparation: Preheat oven to 350°. Place paper baking cups in muffin tins. Mix dry ingredients thoroughly in a mixing bowl. Add remaining ingredients and mix well. Fill baking cups two-thirds full.

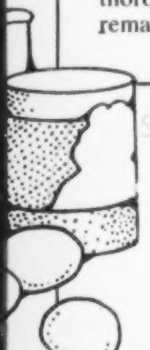
Cooking: Bake 20 minutes or until top springs back when touched lightly.

Nutrition information per serving

	Original Recipe	Modified Version
Calories	464	176
Protein, grams	7	3
Carbohydrate, grams	35	25
Fat, grams	32	8
percent of calories	62%	41%
Saturated fat	4	2
percent of calories	8%	10%
Cholesterol, milligrams	137	34
Sodium, milligrams	304	156

The original cake recipe did use a polyunsaturated fat-vegetable oil. However, the quantity was three times as much as in the modified version. In the modified version the sugar was also reduced, and nutmeg and vanilla extract were added for flavor enhancement. Eliminating the walnuts cuts out 770 calories—almost 100 calories per serving.

Modified recipe adapted from "Nutrition & Your Health, Dietary Guidelines for Americans, Avoid Too Much Sugar," USDA Human Nutrition Information Service.



Saute of Chicken Thighs with Leeks and Mushrooms

Yield: 4 servings

- 2 small leeks
- ¼ lb. fresh morels or other mushrooms
- 4 chicken thighs (about 1⅓ lbs.)
- salt and pepper
- 2 Tbsp. butter
- ½ cup white wine
- ¼ cup chicken stock
- ½ cup heavy cream
- ⅛ tspn. nutmeg

Remove skin and fat from chicken

Reduce salt

Delete butter; brown in a non-stick skillet with non-stick spray

Homemade stock will have less salt

Substitute evaporated skim milk for cream

Thicken with 1½ teaspoons of arrowroot flour, if necessary

Preparation: Cut green leaves from leeks. Thoroughly rinse leeks and morels. Cut leeks into thin julienne strips. Trim tough stems from mushrooms and halve the very large mushrooms. Sprinkle chicken with salt and pepper.

Cooking: In a large frying pan, heat the butter. Saute chicken, skin side down, over medium heat until golden, about 4 minutes. Turn and saute until golden on second side, about 2 minutes more. Add leeks and cook until soft, about 3 minutes. Add wine and stock and bring to a simmer. Cover pan and gently simmer until done, about 10 minutes. (Turn chicken once during this time.) Remove chicken and keep warm.

Add mushrooms to pan and cook over high heat until sauce is lightly thickened, about one minute. Lower heat and stir in cream. Simmer gently until sauce thickens enough to coat the back of a spoon, about 3 minutes. Season with nutmeg. Salt and pepper to taste.

Serving: Spoon sauce over chicken.

Nutrition information per serving

	Original Recipe	Modified Version
Calories	429	236
Protein, grams	22	26
Carbohydrate, grams	12	16
Fat, grams	34	5
percent of calories	72%	19%
Saturated fat, grams	15	1
percent of calories	32%	4%
Cholesterol, milligrams	151	100
Sodium, milligrams	237	149

The few modifications dramatically improved the nutrient profile of this recipe. The fat content is significantly reduced, from 72 percent to 19 percent of total calories, as is the saturated fat. (Current recommendations call for 30 percent of calories from total fat and 10 percent from saturated fat.) The calories, cholesterol and sodium, too, have been reduced by about one-third.

Original recipe courtesy of The COOK'S Magazine, *Bridgeport, CT 06604, May/June 1986 issue.*

mending that only 30 percent of the daily calorie intake come from fat.

Consumers are beginning to respond to these recommendations by ordering more vegetables, salads, fish, seafood and lean meats in restaurants. NRA's recent consumer survey, *Consumer Nutrition Concerns and Restaurant Choices*, found that 72 percent of the respondents strongly agree that good diet and nutrition play a role in the prevention of serious illness. The majority disagreed with the premises that nutritious foods do not taste good and that low calorie means less taste. In fact, more than 50 percent of those surveyed said they make a point of ordering nutritious foods when eating out.

Operators can respond to the nutrition trend in several different ways. In many restaurants at least one or two existing menu items are a good choice for the nutrition-conscious and can be promoted as healthful fare without any change in the preparation method. An operator can also develop new menu items that comply with nutrition recommendations or modify existing recipes to improve their nutritional content. Although altering recipes takes some time and ingenuity, the payoff can be worth it.

Modifying recipes . . .

Not all recipes lend themselves to modification, of course, particularly when an offending ingredient is primary, as in cheese fondue. When selecting recipes to adapt, be mindful of the goal to reduce the calorie, fat, cholesterol and sodium content. It is easiest to begin with recipes built around lean meats, poultry or fish because removing fat and skin will not appreciably affect the final product. Lower-fat dairy products work well in cream-based sauces. Baked goods generally are good survivors of reductions in fat, oil, sugar and salt.

Also, compare your recipe with versions from other sources. You will be surprised by some of the differences in ingredients and preparation techniques. One recipe for *eggplant parmigiana* may instruct you to fry the sliced eggplant in oil, while another recommends baking without adding any fat.

Ingredient substitutions can be made to improve the nutritional quality of many recipes. Since fat is the most calorically dense nutrient, reducing it will automatically reduce calories. Saturated fat and often cholesterol content will be diminished by substituting animal fats with vegetable fat. Many fats add taste and absorb other flavors; therefore, additional seasonings may be needed to compensate. When reducing the fat in batters, additional liquid may be required to achieve the proper consistency.

When adjusting salt, begin by cutting the usual amount in half. Total elimination may be too drastic for many patrons. As you gradually reduce the remaining salt, experiment with other flavor enhancers, such as herbs, spices and juices. (See accompanying chart for additional suggestions.)

Preparation techniques . . .

Preparation methods can enhance the nutritional value of a recipe. Here are some techniques you can use in your operation.

1. Trim all visible fat off meats prior to cooking.

2. Remove the skin and visible fat

Cooking and preparation methods

Although it may not be visually apparent, fat added during cooking can appreciably increase the fat content of a dish. Here are some ways to cut back on fats during the preparation stages.

Baking, broiling, poaching, smoking, roasting, boiling	These preparation methods are best for meats, fish and poultry. Be sure to use a rack when baking, broiling and roasting so that fat drips to the bottom of the pan, and the meat remains suspended above it.
Browning	Brown meat in a non-stick skillet or pot. Use an aerosol cooking spray or apply a small amount of oil or melted margarine with a pastry brush, paper towel or spray bottle.
Microwaving	Most vegetables are particularly well-suited to microwave cooking, which requires no addition of fat. Single servings can be portioned in advance and quickly cooked just prior to serving.
Sautéing	When sauteing meats or vegetables, use a non-stick skillet with non-fat spray or a minimal amount of fat. Also, a non-fat liquid, such as broth or wine, can be used instead of fat to simulate a more traditional sauté method.
Steaming	This technique is best for vegetables since no fat is required and more nutrients are retained than with boiling.
Stir-frying	Stir-frying is advantageous for two reasons. (1) A minimal amount of fat is used and (2) more nutrients are retained because the food is cooked at high temperatures for a short time.
Wrapping	Wrapping foods in parchment paper, aluminum foil or wax paper allows foods to retain their moisture while cooking. The use of innovative vegetable wrappers, such as cabbage, lettuce, chard or spinach leaves, can be used for a dramatic presentation.

Substitutions you can make in recipes

In place of	Try
Dairy Products	
Whole milk	Skim or lowfat milk (To prevent a watery texture in quiches and custards, add nonfat dry milk powder to liquid milk.)
Evaporated whole milk, cream	Evaporated skim milk
Whipped cream	Whipped evaporated skim milk (Add softened gelatin before whipping to stabilize.)
Sour cream, mayonnaise	Lowfat yogurt, yogurt cheese,[1] lowfat cottage cheese blended with buttermilk[2]
Cream cheese	Neufchatel cheese, "imitation" cream cheese, yogurt cheese[1]
Whole-milk mozzarella or ricotta cheese	Part-skim mozzarella or ricotta cheese
Ice cream	Sherbet, ice milk, sorbet, fruit ice
Meat, Fish and Poultry	
Regular hamburger or ground chuck	Ground round or lean ground beef
Pork bacon	Canadian bacon or turkey ham[3]
Oil-packed tuna	Water-packed tuna
One whole egg	Two egg whites

In place of	Try
Sauces and Dressings	
Dried or canned bouillon and broth	Homemade stocks and broths
Cream sauces	Yogurt, vegetable purees, reduced stock thickened with arrowroot flour, tomato sauce
Oil in salad dressing	Reduced, homemade chicken stock
Regular mayonnaise	Reduced-calorie or imitation mayonnaise
Fats and seasonings	
Shortening, lard, butter[4]	Vegetable oil, olive oil, margarine
Marinades made with soy sauce	Marinades made with fruit juice, sherry and spices
Salt, sea salt, MSG	Herbs, spices, extracts, lemon juice, citrus peel
One ounce baking chocolate	Three tablespoons cocoa powder plus one tablespoon vegetable oil or margarine

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[1] *Yogurt cheese is made by hanging yogurt in a cheesecloth overnight. Most of the excess moisture drains off and results in a firmer yogurt product.*

[2] *Blend 2 Tbsp. buttermilk with one cup lowfat cottage cheese.*

[3] *These items are high in sodium content, but lower in fat than traditional pork bacon.*

[4] *One cup of hard fat equals ¾ cup oil. One Tbsp. of hard fat equals ¾ Tbsp. oil.*

from poultry prior to cooking. The removal of skin and fat can even make a normally fatty duck acceptable for a healthful/nutritious promotion.

3. Defat broths, soups and stews by refrigerating them and then removing the hardened fat.

4. Avoid frying foods. Don't season with butter, and don't add gravies, cream or cheese sauces.

5. Use arrowroot flour rather than a high-fat roux to thicken sauces. Although arrowroot has as many calories as flour, it has greater thickening ability: A teaspoon of arrowroot has the same thickening power as a tablespoon of flour. And arrowroot is preferred to cornstarch because it will not gel on cooling. Don't forget to suspend the arrowroot in a small amount of liquid before adding it to the sauce.

6. Never use meat drippings, which are primarily fat, for gravies. Instead, thicken a reduced, fat-free stock with arrowroot flour.

7. Use wines in cooking to add flavor. Although the alcohol is a primary calorie source, it evaporates during cooking.

8. Gradually eliminate salt from recipes. If salt is used, it should be added before cooking—not after to contribute maximum flavor enhancement.

9. Reduce sugar in recipes by about one-third. To compensate, add extracts and sweet-tasting spices, such as cinnamon, nutmeg and cardamom. ❑

Other resources . . .

There are a number of cookbooks now on the shelves that feature recipes lower in fat, cholesterol, sodium and/or calories. It would be worthwhile to peruse these books for ideas and a better understanding of the techniques involved. NRA has recently published *A Nutrition Guide for the Restaurateur,* a source of basic, practical suggestions for incorporating nutrition into your restaurant operators. In addition to information on menu and recipe modification, the guide provides ideas for marketing nutrition and identifies additional useful resources.

SCOUTING

by Kathy Boyle

11 Ways to Scout for Superstars

Today, as fewer workers are entering the job market and competition between industries increases, attracting the superstar employee is more difficult than ever. Because foodservice is not thought of as a traditionally well-paid field, restaurateurs are looking longer and harder to find the employees they want most. In a recent survey conducted by the executive search and placement firm, Feiler & Associates, Inc. (Palm Beach Gardens, FL), respondents were asked to predict the factors that will affect the restaurant industry in the next five years. Foodservice managers responded that "finding quality help (both management and hourly)" will be the number one problem.

Providing good salaries, benefits and advancement opportunities will certainly give your company a competitive edge in the recruiting arena. But you also must make a concerted effort to find outstanding workers. Here are a few suggestions.

1. Cultivate your part-timers. Many restaurateurs have found that their best part-time or student employees can turn into successful managers. Ted Balestreri, immediate NRA Past President and co-owner of The Sardine Factory, Inc., Monterey, CA, (220 seats), urges other restaurateurs to recognize the great potential in their younger employees, such as busboys, waiters and waitresses. "It may mean spending a little money on them. You have to train them, develop them and let them take courses and grow." But it can pay off in a satisfied, highly motivated staff.

2. Encourage employee referrals. Some companies have great success with referral programs, which encourage employees to recommend their friends for openings. It's no wonder that such programs work, says Ted Thelander, president of Success Profiles in Cleveland, OH. "We know that talent seeks talent, and good people seek good people. By hiring good people you can reduce your turnover to 30 percent—one-tenth of the industry average."

Terry Cox, vice president of human resources for the 102-unit Fuddruckers, Inc., based in San Antonio, TX, confirms Thelander's impression. He says his company has had great hiring success with in-house referrals. In almost all cases the people referred by current employees have worked out. Because these referrals have saved Fuddruckers money, the company rewards employees for their referrals—paying $250 for each person who completes training.

3. Be open to talent from other industries. Although professional restaurant recruiters warn against hiring from other industries, Georges Bouhey, vice president of marketing for Shari's Management Corporation in Portland, OR, owners of 23 units of Shari's 24-hour family style restaurants and 20 additional franchised units, prefers his company's more broad-minded approach to hiring. "We have a belief in talent," explains Bouhey, "and we pass that belief on to potential employees." This belief in talent translates into an open-mindedness when looking at a prospective employee's background.

> **"When you get excellent new employees, cultivate them and bring them up the ladder."**

Bouhey and others believe that looking to other businesses, such as the retail sector, grocery business and convenience stores, provides a larger pool of qualified candidates. "When it comes down to 'talent,' you have to keep your eyes and ears open to everyone. An excellent prospective manager could be in a completely different field, but learning new skills may be almost second nature to him or her. Simply by putting that person in the right place you can watch him grow."

Other restaurant chains also make a practice of hiring talent from other fields. Some hire athletes and coaches because they excel in teambuilding skills. Others favor teachers who have worked well with high school and college age students. They believe the interpersonal skills required to teach effectively are critical to management success and can easily be transposed into the restaurant setting.

Bouhey thinks individuals with successful sales experience also possess skills with carryover potential. "They are excited and motivated people. They can pass that motivation onto their crew and can 'sell' the company program to the staff as well as to neighborhood groups," he says.

4. Develop a good reputation so candidates come to you. You can rest assured that the companies listed in "The 100 Best Companies to Work for in America" are inundated with resumes. You, too, can develop a reputation that will make people want to work in your restaurant. According to Cox of Fuddruckers, a good training program and advancement potential are strong drawing cards.

To stay abreast of hiring practices and to compare your benefits package with other operators, be sure to attend industry conventions, meetings and seminars.

5. Solicit from other restaurants. Visiting other restaurants when you travel can prove to be a real plus in recruiting. Says Ted Balestreri, "I go into restaurants in every city I visit. When I talk to people I give them my card." But, explains Balestreri, he never solicits someone who is work-

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ing for a direct competitor because this is a sensitive matter in a small community. Looking to other industry segments for help can also yield results.

In his speech at the recent INFO 86 NRA conference, Kenneth Hill, formerly with Gilbert Robinson, Inc. in Kansas City, MO, and now with C.J. Cinnamon's in the same city, said independents should look to the chains for good help. Many mid-level managers may want more say in the decision-making process or a schedule that gives them more time to balance their work and outside interests, he said. "I was attracted by the excellence of the system at Shari's—their food quality and the way they listened to the customer," recalls Georges Bouhey. "I was in my mid-30s and wanted to make a change that would allow me to make a personal impact on the company. That personal impact was more important than a more secure position."

In a recent survey conducted by Feiler & Associates, Inc., other restaurant managers agree with Bouhey. Overwhelmingly, career advancement was the number one reason given for considering a job change, closely followed by "job satisfaction."

6. Use advertisements. As ineffectual as some recruiters claim them to be, advertisements can be used to fill positions, especially at the entry level and for part-time help. Ads for more responsible positions can be less successful because many of the candidates you wish to consider are happily employed and are not reading the want ads regularly. However, you can tap a professional who may be returning to the work force after an absence or someone seeking to make a career change. Be careful to target your ads to those people you are seeking. If, for example, you are an independent looking for a manager with experience in the franchise sector you may want to say, "Are you tired of just being a number in the chain management?" Conversely, if yours is a chain operation with a strong benefits package you may want to say, "Are you tired of being undervalued? Then consider these benefits."

7. Become involved with schools. Attending college career days or convocations should be standard practice for a restaurant company. It is good public relations to go to the schools as often as possible to keep students familiar with the company name, to get the opportunity to observe potential employees and to network with professors, who often can recommend students—not only recent graduates but also those who are already employed. Recently, one company needed a fast-paced general manager in a hurry. With just one phone call to a college professor in California, the company received an excellent referral of someone already in the field.

Direct recruitment efforts in schools also bear fruit for entry-level management trainees and assistant managers. Some ways you can strengthen your efforts in this area include teaching a course at a local high school or college, developing an apprenticeship, internship or work-study program and sponsoring a scholarship or skills contest.

8. Make contacts. By attending industry meetings you can scout informally for staff additions. There are also indirect benefits from networking. "Half of recruiting is marketing, and the whole idea is to keep your name out there. It's a long-term commitment," says Cox.

Teaching a course before your peers is another good way to keep your restaurant visible. Even catering can present an opportunity to view new talent.

9. Note accomplishments of high achievers. Make a practice of keeping track of all the achievements of restaurant employees noted in trade journals. Cox of Fuddruckers puts this list on computer. "Then when I want someone with specific talents, I recall that person's job description," he explains.

10. Use professional recruiters. Recruitment firms usually do not seek out trainees or entry-level managers. Generally, recruitment firms are used to find employees with two to five years experience in some aspect of restaurant operations or management and often with some achievements and accomplishments behind them. Recruiters try to match the job to the employee.

Recruiters seldom use job advertisements. "We are looking for the best possible person for the job, not necessarily the best person reading an advertisement on that particular day," explains Chris Kauffman, president, Hospitality Recruiters of America, Inc. in Atlanta, GA. Even if they happen to see the advertisement, he adds, the timing or circumstances may not be right. "If someone working for TGI Friday sees an ad by Bennigan, for example, he or she may be afraid to send a resume, for fear of offending the present employer. By using a recruitment firm, the client benefits from the confidentiality."

Kauffman believes another advantage of using a recruiter is, "We know who's who, and who's where. We stay on top of industry trends. We keep track of what companies are heading in what direction, and we keep a profile of the type of managers at various companies. This may save a client weeks of time," says Kauffman.

Larry Cranford, president of Executive Locators of America, Inc., Metairie, LA (outside New Orleans), agrees that the biggest service a recruitment firm provides a potential employer is finding candidates tailored to a position. "We have a data base of candidates not on the market but who might be willing to change," explains Cranford. "The closer I can match a candidate to the company, the better. For example, if I have a growing company with a new pizza concept, I look for a senior VP of an established pizza chain. This person has already been through the company's growing or expansion process. He may be making big money and have a lot of job security, but often he is still looking for the day-to-day involvement and excitement and may actually be willing to leave the security to build something again. To attract such a high-level executive requires putting together an enticing benefits package. Stock options, contracts and equity in the company are attractive to most restaurant managers."

11. Happenstance. Sometimes finding the right person for a job can be quite accidental. Kauffman recalls how he happened to find a chef. While driving down Peachtree Street in Atlanta, he noticed a man in checkered pants crossing the street. He had been trying to find a chef, and so decided to stop the man. Happily, the gentleman was, as his garb suggested, indeed a chef and was available for work because the independent restaurant he was working for was being sold. Kauffman placed the chef and finally filled the position. The chef benefited, too, receiving a promotion to executive chef at a salary that was 20 percent more than he had been making. ❑

Illustration by Krawczyk

TRAINING

by Norma J. Gray

A Four-part Training Recipe that Works

The benefits of a well-trained staff are easy to recognize: The customers are satisfied, the staff is productive and the restaurant's resources are used effectively. Much less clearcut is how to decide which training program to use to achieve the hoped-for results. This article reviews a four-part approach to training that has proven to be effective in a variety of commercial and institutional facilities. It defines and imparts management's expectations and operational objectives and provides each employee with the specific skills necessary to achieve these goals.

1. Congruent mental images

The first step of any successful training program is to define each employee's contribution to the operation. While this step may seem obvious, it is the one most often overlooked. A restaurateur may have a well-developed mental image of the operation, but unless that image is written down as an operational definition, the image may be lost or unrealized. Written definitions are especially important when there are multiple managers, they avoid the frustration of conflicting management directives. When all managers and employees have congruent mental images of the operation, you have the groundwork for successful training.

When formulating definitions, you should consider

- **the menu concept.** What is the menu concept and what are the menu items? Is the emphasis on hearty portions with good dollar value? Or does the concept concentrate on a "grazing" type of menu with numerous small items? Each concept necessitates a different series of specialized service and production procedures, which must be included in the training process.
- **the restaurant customer.** Who is the average patron the operation is trying to attract for each meal period? Is it the business executive entertaining a client, who desires complete, unhurried service? Or is it the customer who requires lunch or dinner within a given time frame? Different customer needs dictate different service styles.
- **the desired check average.** How much is the expected average check for each meal period? Does such an average indicate a need for extensive suggestive selling of appetizers, desserts and beverages?
- **the operational logistics.** This is by far the most involved of the definitions as it requires management to consider all aspects of the operation, including taking orders, serving food and removing dishes. Typical questions range from "Where are the menus placed after the food order has been taken?" to "How do soiled dishes, glasses and silverware fit into the appropriate warewashing racks?"

2. Learning by doing

Once the definitions have been completed and written down, they must be communicated to the service and production staffs. While the written definitions could be given to each employee to review, that alone will not be enough. The people who are drawn to foodservice are active and outgoing and need training that is varied. Effective training utilizes a variety of training tools, including audiovisuals, manuals and charts. But most importantly it provides hands-on, learning-by-doing experience.

The expense and effort of a training program will be lost unless management adheres to and reinforces the standards it has set and ensures that all employees comply.

Training servers . . .

Because duties differ for servers and production staff, some of the training must be skill-specific. Servers must know

- **the menu.** The service staff should be given the opportunity to taste each menu item. This is particularly important when starting a new operation or when implementing a new menu concept. The intent of the tastings is for the service staff to have the knowledge necessary to provide enthusiastic descriptions of each menu item. Tastings should be led by management personnel who can describe each item, its ingredients, method of preparation and any other intriguing information, such as the origin of the item. In addition, the trainer should identify side dishes or wines that would be especially complementary to each item. Training to the menu provides the service staff with adequate selling information to better serve the patron and to, hopefully, increase the average check size.
- **proper food handling procedures.** Service staff need to know food handling skills, such as the importance of covering desserts, butters and other easily spoilable foods or how to properly cut fruits, breads and desserts, including hands-on instruction on which knives to use. If foods are warmed in a microwave, demonstrate proper warming times and post a chart near the microwave that lists temperatures for all food items from soups to syrups and desserts.
- **service station setup procedures.** Train your servers to properly set up service stations. The intent here is to develop a standard setup so that regardless of which server sets things out, all staff will know the location of side-stand items. Standard setup procedures reduce service time by consistently placing appropriate containers, portion-control utensils and food products within easy reach. Charts can be used to help servers learn the proper placement of cream, butter, dry products, serving utensils, coffee service items, etc. Finally, setups should be practiced thoroughly.
- **service as a sequence of steps.**

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Train staff members to think of service as a sequence of steps. Define that sequence for them by identifying the key elements for each meal period. For a dinner service, the sequence might be as follows:

1. Greeting/menu presentation
2. Beverage order service
3. Taking and placing food order
4. Appetizer presentation
5. Check back with guests
6. Entree presentation
7. Check back with guests
8. Clear table
9. Dessert/coffee service
10. Check presentation and
11. Farewell/thank you.

It is best to restrict the sequence to 10 to 12 steps for easy memorization.

- **service techniques.** Once the sequence has been established and memorized, the proper techniques for completing each sequence step can be taught. Demonstrations and/or charts that specify the approved manner of table setup, tray carrying, order placing, food and beverage service and table clearing must be a part of the training process. All techniques should be practiced and reviewed. By organizing service into a sequence of steps with specific techniques defined for each step, management will communicate a framework that will expedite overall server training.

Training production staff . . .

Production staff training is also more effective by the learn-by-doing method. Areas to emphasize include

- **food handling/sanitation.** Much like the service staff, production personnel must be taught to properly handle and store all food items. Be sure to demonstrate proper food handling procedures and explain appropriate thawing and storage techniques. Basic preparation skills and proper cooking techniques necessary at each production station should be reviewed. Employees may need instruction on the proper operation and care of new equipment.

Don't forget to communicate your operation's standards. Do you require thawing foods under refrigeration or cool running water? Do you insist that all foods be covered under refrigeration? Do you demand that salad greens be crisp and free of brown and wilted lettuce? Your expectations must be communicated so employees can meet your standards.

- **production procedures.** All items should be prepared in a practice session especially when opening a new operation or when introducing new menu items. Each production staff member should be supplied with standardized recipes and plating, portioning and garnishing guides. During a training session, every item should be prepared, plated and discussed with all staff members present. Emphasize new food items, ingredients and plating/garnishing standards. (See "17 Steps to Menu Development," February 1986 issue of **NRA NEWS,** the precursor of **RESTAURANTS USA**)

Finally, the logistics of production must be communicated. Where and with whom do the servers place orders? Who handles the order once placed? What is the timing standard? Where are the pickup points? A walk-through of these logistics will help communicate proper procedures to the production staff.

3. Implementing procedures

Once the production and service personnel have had the opportunity to separately practice their responsibilities, it is then appropriate to combine and implement those procedures for actual service. A two-phase implementation procedure is recommended.

A. Joint practice session. Before the production and service personnel are proficient enough to handle paying guests, a joint practice session should be held. In this "dress rehearsal" friends or other employees act as patrons while the staff puts its new skills into practice. To maintain order in the kitchen and keep food costs in line, a set number of diners can be invited. Determine the menu in advance to ensure that a variety of dishes are prepared and served.

The people who are drawn to foodservice are active and outgoing and need training that is varied.

B. Pre-meal briefings. Once the start-up or new menu introduction has occurred, pre-meal briefings can be used to reinforce the standards communicated during initial training. A five to 10-minute meeting should be held each day and conducted by the lead chef, production manager and/or service manager. The intent is to provide good communication between the back-of-the-house and the front-of-the-house and to maintain the standards of the operation.

During pre-meal briefings, address daily menu specials, including their name, price, main ingredients, preparation method and service procedure. Servers should taste each special item. Even if the food is a frozen commercial product, it is important for the service staff to know how the food tastes and what the main ingredients are. Servers should be provided with enough information to present knowledgeable descriptions of the featured selections.

Additionally, the pre-meal briefing should review one specific technique of production and/or service. Although already taught during the initial training, side-stand setups, suggestive selling techniques, dessert service procedures and order-taking procedures should be regularly reinforced.

4. Reinforcing standards

The expense and effort of a training program will be lost unless management adheres to and reinforces the standards it has set and ensures that all employees comply. Management's responsibility is to evaluate staff performance, give positive feedback where appropriate and advise when performance is deviating from standards. Try to catch each employee doing something *right* and compliment the activity. When a procedure is occurring incorrectly, do not blame the employee but instead emphasize the need to meet the operation's standards. While an initial training session for a start-up or menu introduction is critical, periodic reinforcement will ensure compliance with standards. ❑

BONUSES

by Jason P. Smith

A Little Extra Can Make a Big Difference for Hourly Employees

Employee of The Month

As *Webster's New Collegiate Dictionary* says, a bonus is "something given in addition to what is usual or due." That "something extra" in the foodservice industry takes many forms—from cash incentives to free food items. Today, bonuses are figured using cover counts, sales figures and controllable expenses as well as more discretionary management judgment. And bonuses are given to people in almost all job categories. As the following examples suggest, restaurateurs are awarding bonuses both in the kitchen and in the dining room to increase customer counts, build employee morale and decrease turnover.

In the back of the house . . .

At The Homestead, a 75-seat restaurant in North Conway, NH, owner Cynthia Briggs has instituted a "bonus hour" program for assistant cooks and dishwashers, which she claims increases harmony between the front and back of the house. As the number of diners increases in the dining room, the kitchen staff receives bonus hours of pay. The bonuses are tied to the number of kitchen staff on duty. When the cook and one kitchen worker share the preparation load, bonuses begin when 40 dinners are served. The kitchen worker gets one bonus hour of pay for 40 dinners served and an additional hour for every 10 dinners served thereafter, i.e., two hours for 50 dinners, three for 60 dinners, etc. When two workers help the cook, bonus hours start at 60 dinners, and with three workers on duty, bonus hours start at 80 dinners.

Briggs is enthusiastic about the increased level of cooperation between the kitchen staff and the waitstaff that results from this system. She believes that the usual antagonistic relationship between these groups does not exist at The Homestead because both groups benefit from more covers in the dining room.

Briggs says the system is very effective because now dishwashers and assistant cooks are motivated rather than discouraged when the work load increases. As a result, the kitchen staff handles many more covers than do other operations with similar-sized kitchens.

Briggs also maintains the system reduces turnover. To help ensure that the restaurant's dishwashers and assistant cooks remain through the season, Briggs pays half the bonus hour money the week it is earned and the other half at the end of the season, which is either in March or October.

In the front of the house . . .

At The Homestead, the bonus plan does not extend to the waitstaff because Briggs feels that tips provide the needed incentive. David Holt, managing partner of 1904, a 130-seat restaurant in Seattle, WA, takes a different view. He has developed a sales commission bonus program for his restaurant's waitstaff. Since implementing the system five years ago, Holt has seen check averages close to double partially as a result of the bonus program.

Today, bonuses are figured using cover counts, sales figures and controllable expenses as well as more discretionary management judgment.

At 1904 all staff involved in selling can increase their take-home pay by increasing sales. What they must do is to exceed the average sales figure determined for each shift. Usually this figure is reviewed annually unless there are menu changes, price changes or operational changes, such as major staff changes. When a server's total checks top that average figure for a meal period he or she receives a percentage of the total figure, usually around five percent. The bonus is distributed at the end of each month and reflects the employee's total performance for that period. Holt believes his servers have tried to become more knowledgeable about food and wine so they can use that knowledge to sell more effectively—and, of course, to gain the bonus percentage by increasing sales.

Holt has found that servers like to see the bonus in cash. "Several months ago I asked some of our top servers if they wanted to change the bonus system to one that awarded prizes such as free travel," he says, "but they declined, choosing to stay with the percentage system." Holt advises others who are thinking of using a similar program to wait until a sales pattern has been established so that the average sales figures don't reflect a temporary peak or drop in sales.

Cash need not be the only incentive to motivate servers, however. At Ray's Boathouse, a 400-seat restaurant in Seattle, WA, a new bonus program has been introduced, which rewards top waitstaff with bonus gift certificates. "We award both in-house gift certificates and gift certificates at shops in the area," says Cindy Bailey, day manager. The waitstaff receives gift certificates for food and beverages in the restaurant whenever they go over the check average for a given meal period. For example, Bailey explains that a server receives a gift certificate for every $1.50 sold over the $14.00 per person average at lunch. If this excellent performance continues for more than a month, the server receives a $25.00 gift certificate to be used at an exclusive shop in Seattle. Bailey believes this pro-

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gram makes Ray's "one of the most desirable places to work in the city."

A bonus sytem that is tied directly to the sale of specific food items is used by Zina Greene, president of Pastime, Inc., which operates the Park Place Cafe (75 seats) in Washington, DC. When Greene wants the waitstaff to remember and push a new item or a special, she offers a percentage of the price of that item, usually about 25 percent, as a bonus or, alternately, she awards them one of the items after they sell a certain number of them. "Since the item we are selling is something the waitstaff is usually not allowed to have, such as a dessert or a lobster, it is a great incentive to sell a lot," she says. To avoid too much competition, Greene only runs these incentive programs occasionally—when there is a special item or a specific lull in sales. "Things would get too competitive if we did it all the time," she observes. "We want the staff to compete with themselves to try to beat their own goals—not to compete with each other."

Greene believes that such a system is very effective at meeting a sales goal. "If I offer one of these rewards on an item, I can practically sell as many of them as I want to. Not only does the waitstaff encourage sales, but once diners see the item on someone else's table, they will be more inclined to order it," Greene says.

A spontaneous approach . . .

A much different approach to bonuses is taken by Charlie Gaston, manager of Grand Concourse, a 600-seat restaurant in Pittsburgh, PA's former train station. Gaston attempted to develop a bonus program that would reward employees in all departments, based on criteria appropriate for each department. "We were going to base dishwasher bonuses on cover counts, waitstaff bonuses on sales figures, and so forth," Gaston explains, "but we were finding that the system was getting too complicated and was going to be demotivating because feedback was not quick enough."

Instead of the all-encompassing system Gaston originally intended to use, he decided to reward workers spontaneously. "I decided the best way to award bonuses is to walk around with cash and reward the people I feel are responsible for the profits I have in my pocket," he says. "I feel it is much more effective to go to the dishwasher, hand him a few dollars and thank him for the good work he is doing than to rely on a complicated system."

Gaston extends this flexible, simple and spontaneous bonus system to management personnel. He believes in setting a decent salary and then using spontaneous bonuses to reflect individual achievements.

A corporate approach . . .

On the corporate side of the foodservice industry, Gilbert Robinson, Inc. (Kansas City, MO), operator of Houlihan's Old Place restaurants, represents one end of the bonus continuum and Bob Evans Farm, Inc., headquartered in Columbus, OH, represents the other.

At Gilbert Robinson, unit managers and regional directors decide when and where to award bonuses to hourly workers, and these awards are usually tied to the profitability of the entire unit—not to individual performance.

Bonuses for hourly employees at Bob Evans Farms restaurants, on the other hand, take the form of travel and other prizes awarded for winning sales competitions. The chain usually sponsors two such contests a year. They are generally centered around selling a specific food item, such as a dessert.

In sum . . .

While the bonus program that works for one operation may not work for another, the most important characteristic seems to be the perceived value for the employee who is receiving the bonus. ❑

. . . restaurateurs are awarding bonuses both in the kitchen and in the dining room to increase customer counts, build employee morale and decrease turnover.

A share in the business

In Pasadena, CA, Lud Renick, the owner of La Couronne (100 seats), decided that the best motivator for key staff is to give them a stake in the business, building on the notion of stock options that have been used in the industrial sector for some time to motivate top executives.

For each year that the head chef and maitre d' are employed by La Couronne, they receive one percent ownership in the business and share in the profits accordingly.

When they have worked at the restaurant for five years, the percentage of ownership increases from one percent to five percent and both people have the option to buy an additional five percent of the business at the restaurant's market value at that time.

According to Renick, "The plan is designed to get the people I have with me now to stay at least five years." Renick notes tht good chefs often want to open their own restaurants and he hopes ownership will keep that possibility at bay.

by Robert E. Harrington

How to implement a SAFE program

Part IV of a four-part series

Many health departments are preparing to implement a new concept in restaurant inspection that emphasizes time/temperature control throughout the preparation cycle of potentially hazardous foods. This series introduces a streamlined version of that program called SAFE (Sanitary Assessment of Food Environment). SAFE can protect your business against an outbreak of foodborne disease by helping you identify, control and monitor the critical points in your food handling and preparation system. This final article of the series will show you how you can perform a SAFE survey in your own establishment.

Traditional restaurant sanitation inspections have focused on construction details and aesthetic appearances—peeling paint, coved corners, dirty floors and so forth. Although this approach has enhanced maintenance and cleaning, it may not address the major factors that are known to cause bacterial foodborne illnesses: contamination of foods with pathogenic bacteria and inadequate temperature control, which allows those bacteria to survive and grow.

A Sanitary Assessment of your Food Environment (called SAFE) can reduce the risk of a disease outbreak in your operation. Based on a system developed in the food processing industry, SAFE helps you to concentrate your food protection efforts on the specific foods at greater risk. It identifies those steps in your production scheme wherein foods could be contaminated and wherein bacteria could survive and grow. Once you identify these *critical control points*, you can devise protective measures to guard against the hazards and include those protections in your standardized recipes and processes.

The first step is the decision to begin . . .

The first step in your SAFE audit is your decision to do it and your commitment to follow through with any necessary changes in your operations. This is not a casual decision because, like anything worthwhile, SAFE will exact some costs. In addition to minor equipment costs (several dial-indicating thermometers long enough to reach the center of different-sized foods), you will need to make a considerable investment of your most overstretched resource—time. You also may need to invest in training your employees to change their food-handling practices and to monitor the SAFE critical control points.

On the plus side, SAFE will provide you with control points to monitor product quality and consistency; and if someone does complain of illness, SAFE will reduce your liability because you can demonstrate that you have taken more than reasonable steps to maintain clean and wholesome foods.

For the first one or two surveys you perform in your restaurant, you will want to diagram each step in the preparation process and record food temperatures every 30 minutes. Later, when you gain more familiarity with the SAFE system, you can simply monitor against the specifications you build into your standardized recipes and processes.

Identify potentially hazardous foods . . .

Since it is neither feasible nor necessary to do a SAFE survey for every item on your menu, the first step is to choose which foods you will assess. Concentrate on moist, non-acid, protein foods. These include most meats, poultry, seafood, eggs (out of the shell), milk and dairy products, sauces and gravies, cooked cereal grains and cooked vegetables. Check product labels for directions (for example, "keep refrigerated after opening") or contact the manufacturer for specific handling recommendations.

Identify the foods at greatest risk . . .

Next, consider the processing factors that increase the risk of foodborne disease:

- **multiple-step preparation.** Increased handling increases exposure to contamination, especially when hands are not clean.
- **temperature changes.** Heating and cooling places foods in the "danger zone"—between 45°F and 140°F—where bacteria grow best. You will want to structure your procedures to minimize the time in this zone; keep foods in the danger zone no more than four hours. Foods which are heated, cooled and reheated are three times more risky than foods heated once for immediate service because they are in the danger zone three times.
- **large volume.** Products in large volumes take longer to heat and cool, thus the bacteria have more time to grow. Also, large-volume items usually require multistep handling, and this increases their risk. A beef Wellington, for example, would be a good candidate for a SAFE survey, but a broiled filet mignon, intended for immediate service, would not require such detailed controls.
- **specials.** Unusual or one-of-a-kind offerings can also increase risks because of the unfamiliar preparation or service style required.
- **naturally contaminated foods.** Your SAFE program must consider some foods' naturally high contaminant level. Raw produce can be contaminated by field dirt or pesticides. Raw meats (especially poultry) can be contaminated at slaughter, and raw seafood, both shellfish and finfish, can carry a variety of viruses, bacteria or parasites.

Robert E. Harrington is assistant director of technical services, public health and safety for the National Restaurant Association.

Follow the food item through your preparation cycle . . .

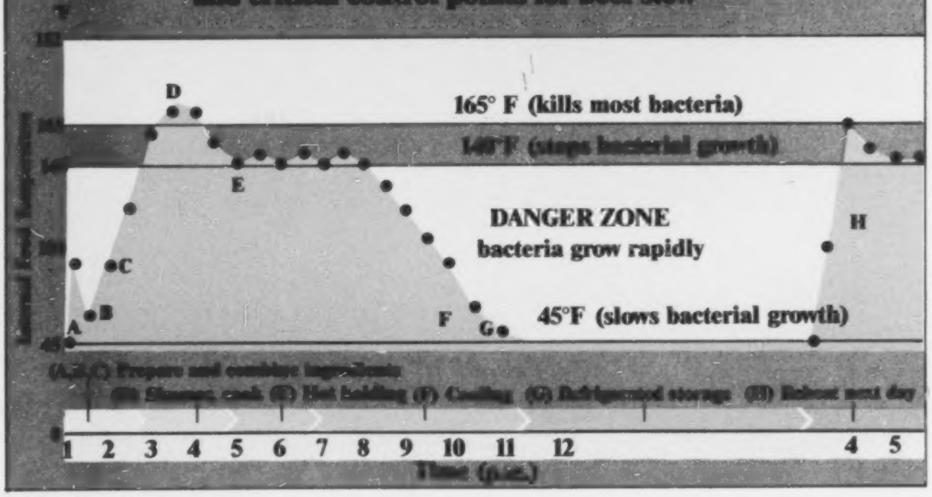
When you have selected the food(s) for your SAFE survey, your next step is to follow the progress of that item(s) through your establishment—from delivery at the receiving dock to service at the table. Note the potential hazards at each handling step, such as potential for contamination or inadequate temperature control. Record food temperatures at the beginning and end of each handling step and the amount of time the food is held at those temperatures. For lengthy processes, such as slow roasting, cooling or holding, take temperatures at 30-minute intervals to give you a time/temperature curve which will help you determine if your procedures are adequate to kill bacteria and limit their growth. (See accompanying example)

SAFE flow chart for beef stew

Preparation step*	Hazards	Controls and alternatives
A. Cube and sear beef (1:00 p.m.)	Cross-contamination to other foods	Clean and sanitize utensils. Wash hands. Handle separately from other foods.
B. Wash, peel and cut vegetables (1:10 p.m.)	Natural and cross-contamination	Wash vegetables thoroughly and handle separately from other foods. Use clean/sanitized utensils. Wash hands.
C. Combine ingredients and seasonings (1:30 p.m.)	Chemical contamination; if "seasoned to taste," bacterial contamination	Read labels. Store and use chemicals away from foods. Measure seasonings in advance or use clean tasting spoon each time.
D. Simmer, cook (4:30 p.m.)	Survival of bacteria	Cook until parts reach an internal temperature of 165°F.
E. Hot table holding (7:30 p.m.)	Re-contamination, growth of bacteria	Use clean/sanitized utensils. Keep covered. Keep internal temperature above 140°F. If temperature falls below 140°F, reheat to 165°F.
F. Cool for storage (11:30 p.m.)	Growth of bacteria **(Extremely critical)**	Cool rapidly to 45°F within 4 hours. Use shallow pans 4" deep or less and ice baths and stir food to facilitate cooling. Check temperature every 30 to 60 minutes. If food has not reached 45°F within four hours, reheat to 165°F and cool again.
G. Storage	Recontamination	Keep covered. Store away from contaminants.
H. Reheat for service (4:00 p.m., following day)	Recontamination, bacterial growth	Use clean, sanitized utensils. Do not "top off" with new product. Heat rapidly on stove to 165°F. Do not hold. Serve immediately.

** Times indicate when the step is completed. Compare with accompanying temperature curve.*

Sample temperature curve, preparation steps and critical control points for beef stew



When you take food temperatures, be sure to use the thermometer in a way that will give accurate results and not contaminate the food.

- **Calibrate the thermometer.** Better quality food thermometers have a calibration nut so you can adjust the reading on the dial. Temperatures required to boil water (200°F–212°F) and to begin the freezing process (32°F) are reasonable reference points.
- **Clean and sanitize the thermometer** stem before and after you insert it into foods. (*A word of caution:* Many food thermometers have plastic dial faces that will melt if they are left in hot environments such as ovens. Also, unless the thermometer is specifically designed for dishmachine use, wash it by hand. Otherwise, the dishmachine's high pressure, temperatures and chemicals will ruin it. Of course, be sure to avoid touching food with your hands when reading the thermometer.)
- **Give the thermometer time to respond.** Most thermometers read faster on the "hot" side than the "cold." A cold food may require two to three minutes to reach a stable reading.

Establish critical control points . . .

Your SAFE survey will identify many control points, but only a few will be *critical* control points. Critical control points

1. ensure against food contamination by establishing procedures for good personal hygiene habits and maintaining clean utensils and surfaces,
2. prevent bacterial growth by holding foods below 45°F or above 140°F and
3. ensure bacterial destruction by cooking foods above 165°F.

When you establish your critical controls and monitoring points, make sure they are feasible. Then standardize those controls so they become part of your regular procedures. The easiest and most effective way to implement these controls is to write them directly into your recipes (for example, "Bake in 325°F oven until center reaches 165°F") or to include them as part of a specific employee's job description. (This gives you accountability control as well.) You can also post signs or tags or require employees to maintain a log of monitoring points, but these techniques are generally less effective because they are not part of the normal job flow.

To check the effectiveness and feasibility of your controls and monitoring points, repeat the survey. You may find that an alternate procedure is needed when the first step does not meet its critical control goal. The most common shortcoming will involve temperature control. For example, if a food fails to meet the required temperature within the specified time period, reheating to 165°F is necessary to eliminate surviving bacteria.

An example of SAFE principles in action . . .

Let's put these SAFE principles to work in an imaginary restaurant. First, we will review the menu to establish which items are good candidates for SAFE. To keep things simple, the restaurant offers only two choices for each course.

Menu	Assessment
Tossed green salad or *Gelatin mold with mixed fruits*	Low-water activity makes these foods not potentially hazardous. However, do guard against cross-contamination from other foods. Keep items refrigerated for quality.
Broiled swordfish steak	Potentially hazardous item. Keep refrigerated. But since item is cooked "to order," there is no need for a complete SAFE survey.
Old-fashioned beef stew	Potentially hazardous item because of its multiple ingredients, large volume, multiple steps and heating and cooling requirements. Preparation of this dish should receive a SAFE survey.
Tart lemon pie	The pie's very acid, low-water content does not make this item potentially hazardous. Keep refrigerated for quality and to guard against contamination.
Creamy banana pie	The filling is potentially hazardous because of the multiple preparation steps involved and the heating and cooling steps required. A good candidate for a SAFE survey.

For both the stew and the creamy banana pie begin your SAFE procedures by preparing detailed specifications for high-quality products. Inspect all food deliveries for quality and temperature. (Perishable foods must be held below 45°F.) Reject any product which does not meet your standards. Store in clean, dry facilities at proper temperatures and use the first in, first out (FIFO) plan for inventory rotation.

The remainder of the SAFE technique is illustrated in the accompanying flowchart and temperature curve. Although the chart and curve have been prepared for the beef stew, the same principles apply to the banana cream pie and other potentially hazardous foods on your menu.

Rest assured; the process is not as difficult as it first appears. As you become more familiar with the techniques, you may no longer need the flowcharts and detailed diagrams but can rely on your improved knowledge of food safety and your established SAFE procedures to protect your restaurant from foodborne disease. ❑

Editors note: *Due to reader interest in NRA's SAFE program, next month's issue will include an extension of the series and cover viral infections and chemical poisonings.*

Preventing foreign-body contamination

Although the primary concern of your SAFE program is to prevent bacterial contamination and growth, you should also be alert to foreign bodies that might find their way into your foods.

Fortunately, most ingested foreign bodies pass harmlessly through the digestive tract, but occasionally a nut or bolt from a piece of equipment can damage teeth. Wire ties, metal shavings or broken glass and crockery can cut the mouth and throat. Even a seemingly harmless toothpick can pierce the intestine. This has caused at least one death.

When you perform your SAFE survey, consider possible foreign-body contamination. Keep equipment well adjusted and use only recommended lubricants; properly dispose of all wrapping and packaging materials; keep all nonfood items away from foods; and be sure that toothpicks, skewers or markers are clearly visible in foods. In short, arrange your kitchen processes, storage and materials to keep nonfood items out of the foods you serve.

NRA Director Elmont caters celebrity wedding

Austrian President Kurt Waldheim sent a sculpture depicting the bride and groom in traditional Austrian dress. The Pope sent a blessing. President Ronald Reagan penned a congratulatory note. And NRA Director Stephen Elmont of Creative Gourmets, Ltd. in Boston, MA, dispatched 67 employees—six chefs, 47 servers, three managers, six bartenders and five utility people—to ensure that every detail of the reception for the Shriver-Schwarzenegger wedding last April was in order.

By all accounts it was *the* wedding of the spring season, joining movie star Arnold Schwartzenegger with Kennedy family member and CBS co-anchor Maria Shriver. The 450 guests, assembled in two heated tents in the Kennedy compound at Hyannis Port, MA, supped on a menu of traditional items created by Creative Gourmets for the occasion.

According to Lois Yurow, sales and marketing coordinator for Creative Gourmets and the company's liaison with the Shriver family, the final menu was the product of the bride's food preferences and the company's suggestions for preparing those items. "We tried to incorporate both the Cape Cod and the Austrian themes," Yurow explained. "The seafood of the Cape was represented as were Austrian delicacies, such as sacher and linzer tortes." Other items served that day included eight hors d'oeuvres, which accompanied the raw bar during the cocktail hour; a lunch of chicken breasts in champagne sauce with three types of mushrooms; pasta with shrimp and asparagus; fresh sauted vegetables; rice pilaf and salad. Long-stemmed California strawberries and fresh fruit tarts accompanied the Austrian pastries. An eight-tier wedding cake was prepared by the Shriver family chef.

What was the most difficult aspect of pulling off such a social event? According to Elmont, "The main problem was the usual catering dilemma—operating without a stationary kitchen. We brought our own portable kitchen, but it was a cold, misty New England day, and we had to take extra care to keep the food hot." Elmont hinted that the New England weather, however, proved beneficial to Creative Gourmet staffers. At the close of the event Senator Edward Kennedy invited the employees who were waiting for their bus to come in out of the rain and tour the first floor of the Kennedy house, an area well known for its fabulous family photographs.

Susan Hasslocher becomes Texas Restaurant Association President

NRA President G. "Jim" Hasslocher, himself onetime president of the Texas Restaurant Association (TRA), was on hand at TRA's recent annual convention to watch his daughter assume the reins of office for the year 1986–87. Susan Hasslocher, vice president and area manager of Frontier Enterprises in Austin, TX was invested as TRA president in June.

As TRA's new president, Susan Hasslocher pledged to expand the association's legislative and educational programs, increase membership and to promote the professional image of the foodservice industry.

A native of San Antonio, Susan Hasslocher graduated from the University of Texas with a Masters in Business Administration. As vice president of Frontier Enterprises in Austin, she oversees the operation of several Jim's Coffee Shops and Magic Time Machine Restaurants.

—Dorothy Dee

NRA President G. "Jim" Hasslocher and daughter Susan Hasslocher, newly-invested president of Texas Restaurant Association.

#74

The many roles of the CEO

I am perpetually impressed, and often amazed, at the ability of chief executive officers (CEOs) to function with effectiveness and efficiency in light of the multiple demands placed upon them. CEOs are truly extraordinary in their ability to shift from one role to another instantaneously, without a loss of momentum or hesitancy of thought or action.

To some degree, the manager of any self-contained organizational unit functions as a CEO, experiencing the same daily demands and requirements that the top executive of that enterprise faces. Accordingly, the following list of the many roles required of a CEO is applicable to these managers as well.

1. Creator of standards, values and organization culture. The CEO needs to establish and maintain standards both by personal example and organizational fiat. But it is the personal example that carries more weight. Standards are required for every element of the operating system (production, distribution, service, and so forth) and every component of organizational activity (such as sales, human resources, financial management). The CEO is the standard bearer for the organization, maintaining its support and preventing its erosion. The CEO is also the author and projector of organizational values, embracing such elements as quality, customer orientation and a disposition of "going the extra mile" for employees as well as a demonstrated concern for social responsibility and financial accountability. A good CEO honors the value system of the company and personifies the overall corporate culture embodying the system-wide morality. The CEO is, in short, the leader of the enterprise in every sense of the word.

2. Risktaker/Riskmaker. The CEO is ultimately responsible for what happens to an organization and for what he/she *makes* happen. The setting of new directions, the entering of uncharted waters, and the making of critical personnel, marketing, financial and public affairs decisions all carry a certain element of risk. In addition to risk taking in the normal context of ongoing activities, the CEO is a riskmaker as well, challenging conventional ideas with creative concepts, inspiring subordinates to reach beyond their grasp and establishing conditions wherein major breakthroughs can occur. The CEO does so, however, in an environment where there is not a fear of failure but an abhorrence of it.

3. Chief tactician. The CEO is the captain of the organizational ship and is "on the bridge" each day, getting the "weather" readings and making the required adjustments. While engaged primarily in planning activities, the CEO must deal with both the short-term and long-term future. He/she must look at the annual operating plan, quarterly reports, monthly results and flash indices. Rapid responses need to be made to competitive attacks, the general economy, the vagaries of public sentiment, the fluctuations of financial markets and so forth.

4. Chief strategist. The CEO is a tactical strategist. CEOs rightfully look for lasting achievements, recognizing that, while they themselves may be transitory, the organization must endure and stand the test of time.

5. Chief spokesperson. The CEO represents the company both within and outside the organization. At critical points, the CEO must stand before the world and clearly enunciate the position of the organization relative to the issue at hand. The CEO must be articulate and able to synthesize disparate functions and/or events into a cohesive whole, so that the organization is positioned in the most favorable posture possible with all of its publics. He/she must be a seer, possessing the wisdom of Solomon, the intellect of Socrates and the stamina of Hercules.

6. Chief negotiator. Because an organization is a system of interacting components, friction and conflict occur with some degree of regularity. The CEO is the chief arbitrator in those instances, managing the friction in the best long-term interest of the enterprise. The CEO is also the moderator, referee or umpire among competing concepts, approaches and personalities within the organization. As such, the CEO should be a stabilizing countenance, possessing an air of finality and the habit of command.

7. Chief observer. The CEO must know the anatomy of the industry and the economy in which operations are conducted so that his/her practiced eye can catch the slightest change and determine whether such change is fleeting (fad) or is a fundamental shift (trend). A CEO is both a diagnostician and a prognostician who must keep a mental finger on the pulse of the organization as well as the relevant factors in the external world.

8. Buck stopper. The CEO is the person in an organization who is "the final judge," "the court of last resort" and "the person with the ultimate word."

Fisher's Law #74. The truly successful CEO can read people and events with as much facility as he/she can read written documents.

Psss't. . . Are you an NRA source?

The National Restaurant Association and *RESTAURANTS USA* are gathering information on the following topics. If you are involved in any of the these programs, please fill out the *short* questionnaire on the inside back of this month's special outer cover. Return it to NRA, and we may contact you regarding the specifics of your programs.

Do you: sponsor cooking classes?
offer cooking demonstrations?
have alternatives to discount drink happy hours?
have an apprenticeship program?
purchase any of your supplies through direct wholesale?
offer food delivery or unique carry-out services?
offer a retirement program or special flextime for employees with children?

Become an NRA source; respond today.

CREST Focus

Uneven growth in lunch business

NRA research reveals that people eat lunch away from home more than any other meal. This CREST report focus takes an in-depth look at the lunch market and at the factors that affect traffic and sales.

When the 12 o'clock whistle blows, signaling the lunch hour, many consumers head for the nearest restaurant, cafeteria or fast food outlet. In fact, NRA's *Meal Consumption Behavior* study reveals that people eat lunch away from home more than any other meal. In 1985, nearly 54 percent of those questioned revealed they ate lunch in a restaurant or school/work cafeteria at least once a week compared to 51 percent in 1981 when a similiar study was conducted. A smaller 49 percent of consumers purchased dinner at least once a week in 1985, while 18 percent indicated they ate breakfast at a restaurant or school/work cafeteria.

Furthermore, in 1985, consumers ate an average 2.1 lunches per person in a restaurant or school/work cafeteria during a seven-day period. On an annual basis, this translates into 109 lunches per person that were eaten away from home, and this figure represents a five percent increase from 1981. In contrast, the average consumer either ate the midday meal at home or "brown-bagged" it 3.8 times a week and skipped lunch 0.6 times.

Data from CREST's *Household Report* also reveal that the midday repast accounts for a large proportion of restaurant traffic and sales although the figures differed from the NRA study. Because CREST data do not reflect lunch visits at school or work cafeterias as do data from NRA's study, the allocation of visits among the three main meal periods differs. According to CREST, lunch captured a hefty 37 percent of traffic and one-third of sales. But this share has declined slightly since 1982 when lunch accounted for 38 percent of traffic and nearly 35 percent of sales. Dinner represented a greater 39 percent of traffic and 53 percent of sales in 1985, while breakfast captured a little more than 10 percent of traffic and almost seven percent of sales.

In recent years increases in customer counts and sales at the midday meal have lagged behind the industry average. In 1985, traffic at lunch edged down 0.7 percent versus a 1.0 percent increase for all restaurants. Lunch sales advanced 1.4 percent during this same period, while overall industry sales increased a more impressive 3.1 percent. Furthermore, from 1982 to 1985, lunch traffic advanced a modest 3.7 percent, and sales grew 13.5 percent. In contrast, industry-wide traffic and sales advanced 7.9 percent and 17.0 percent, respectively, during this period. Additionally, customer counts and sales for both breakfast and dinner posted higher-than-average gains between 1982 and 1985. Customer counts at breakfast skyrocketed 31.0 percent and sales shot up 38.1 percent. Dinner traffic and sales rose a more moderate, but still impressive, 10.2 percent and 17.9 percent, respectively.

Popular lunch foods and beverages
1985

	Proportion of orders
Sandwiches	53.5%
Hamburgers/cheeseburgers	28.6
Soft drinks	39.4
French fries	29.1
Coffee	14.8
Side dish salad	12.8
Cole slaw	4.5
Salad bar	3.6
Tea	10.9
Iced	9.0
Chicken	9.8
Fried	5.5
Nuggets	2.2
Main dish salad	6.6
Pizza	5.7
Mexican	5.0
Soup	4.9
Ice cream	2.9

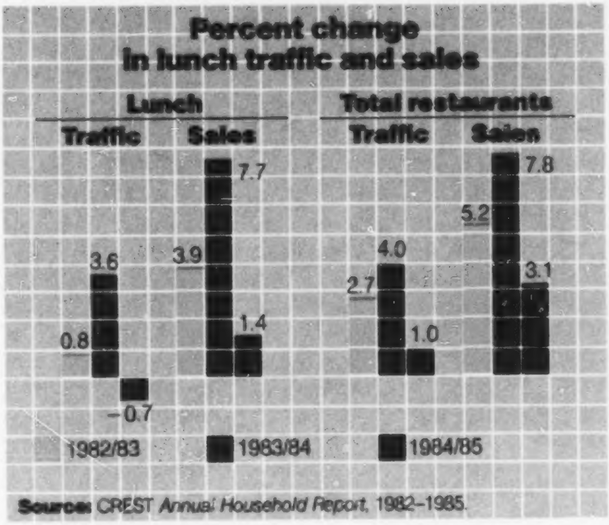
Source: CREST *Annual Household Report*, 1985.

Factors influencing traffic and sales . . .

What's behind these below-average gains in lunch traffic and sales? A variety of factors had an effect, including:

- **employment patterns.** Lunch traffic and sales are generally tied to employment patterns because working people account for a big proportion of lunch business. Although employment rose between 1982 and 1985, the rate of increase slowed. This may be one reason why lunch traffic and sales advanced more slowly than they had in the past.
- **increased spending for durable goods.** As the economic picture improved, many consumers with extra money in their pockets stepped up spending for durable goods, such as automobiles and home furnishings. As a result, consumers had less cash to spend for some discretionary items, such as restaurant lunches.
- **an above-average increase in check size.** The average per person check for lunch increased 9.4 percent between 1982 and 1985, well above the 8.2 percent advance in average check size for all restaurants during this period. The average cost now exceeds $3.00. Some customers probably cut back on their restaurant visits because they perceived a lower price/value relationship for lunch. A 1984 Gallup survey substantiates this impression. It reveals that lunch received the lowest price/value rating of all meal periods.
- **more inplant feeding operations.** A growing number of employers are operating employee cafeterias. As a result, lunch sales and traffic may be understated since CREST

does not measure transactions at inplant foodservice operations. For instance, NRA data reveal that from 1982 to 1985 foodservice contractors in manufacturing and industrial plants recorded a hefty 20.9 percent increase in sales, and those in commercial and office buildings posted a 22.8 percent gain, reflecting the growing popularity of these operations.



Percent change in lunch traffic and sales

Source: CREST *Annual Household Report*, 1982–1985.

Quick service grabs largest share . . .

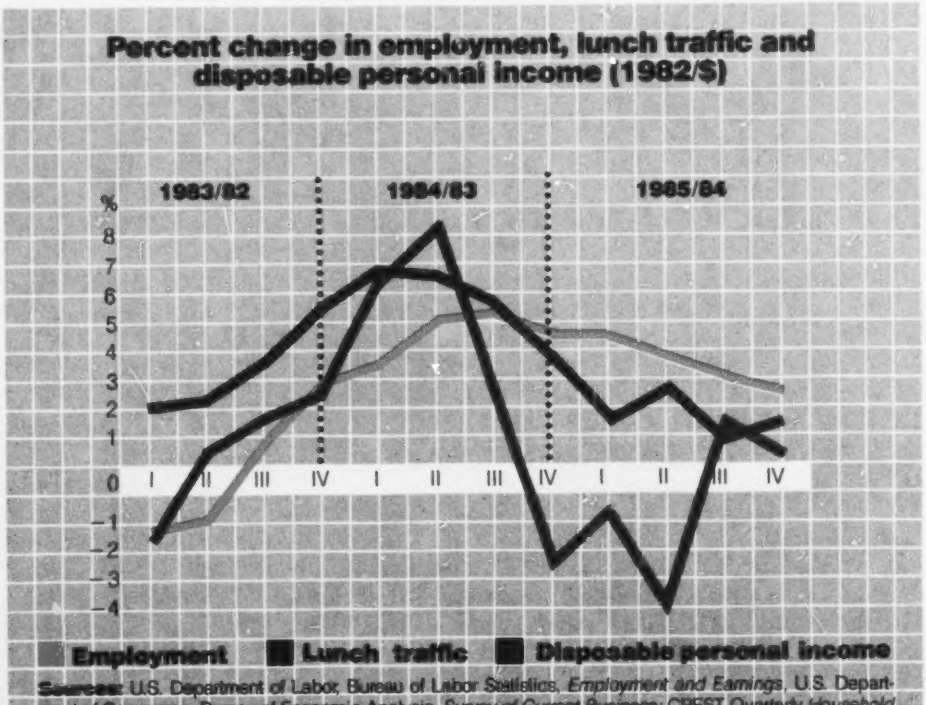
According to CREST's *Household Report*, lunchtime sales at quick service establishments jumped a substantial 23.9 percent between 1982 and 1985, while customer counts climbed a healthy 10.4 percent during this four-year period. This strong increase in sales and traffic reflects that these establishments are able to accommodate customer demand for convenience and fast sevice at a reasonable price. In fact, a 1984 Gallup poll (see **NRA NEWS,** Sept. 1984) reveals that the majority of consumers—57 percent—spend no more than 30 minutes in a restaurant for lunch, underscoring the attraction of quick service restaurants. In addition, quick service outlets account for the lion's share of traffic and sales at lunch. In 1985, these establishments captured 51.6 percent of sales and 64.6 percent of traffic.

Hamburger restaurants are the overwhelming favorite type of fast food restaurant for lunch patrons. In 1985, these establishments accounted for a hefty 22.2 percent of total lunch sales and 30.8 percent of all lunch traffic. Quick service pizza parlors ranked second in popularity, capturing 6.6 percent of traffic and 6.7 percent of sales. Fast food establishments specializing in chicken placed third, with 5.5 percent of traffic and 4.9 percent of sales.

Upscale restaurants also posted a strong 7.5 percent gain in lunch traffic and a 12.4 percent jump in sales between 1982 and 1985. Many consumers find the atmosphere at upscale restaurants conducive for business meetings, and this has helped boost traffic and sales. Also, many consumers had more discretionary income during this period, which probably influenced some patrons to trade up to upscale establishments. Nonetheless, these establishments accounted for the smallest proportion of lunch traffic and sales in 1985, 7.2 percent and 14.8 percent, respectively.

Midscale restaurants recorded a slight 0.8 percent increase in lunch sales, and a disappointing 9.7 percent decline in lunch traffic between 1982 and 1985. This poor performance suggests that customers may be trading up to more expensive restaurants or down to less expensive restaurants for this meal. However, specific types of midscale restaurants have fared extremely well during this four-year span, including specialty and ethnic restaurants featuring Mexican, Asian and Italian fare. Midscale establishments are important places for eating lunch as they account for a large proportion of lunch-hour sales and customer counts. In 1985, these establishments represented 33.5 percent of sales and 28.2 percent of traffic.

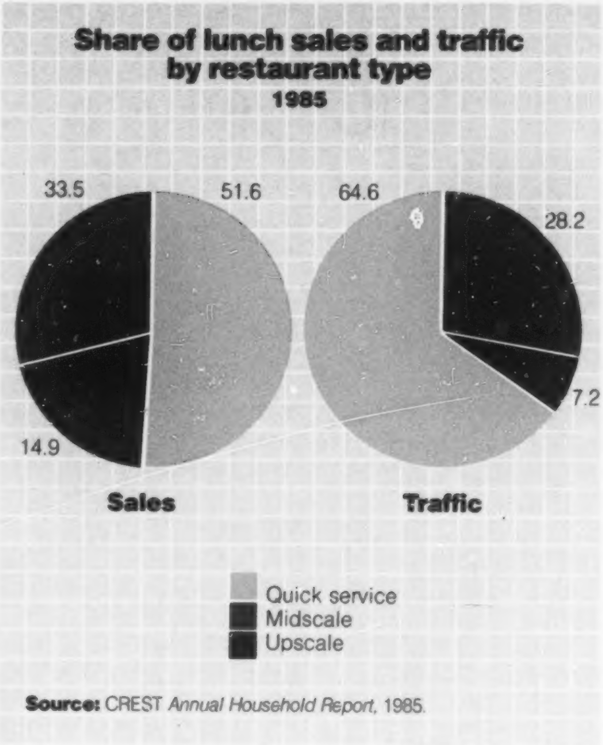
Midscale lunch patrons are most likely to frequent varied menu establishments. In 1985, this restaurant type captured 9.8 per-



Percent change in employment, lunch traffic and disposable personal income (1982/$)

Sources: U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings*, U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*; CREST *Quarterly Household Reports*, 1982–1985.

cent of total lunch traffic and 11.6 percent of total midday sales. Midscale specialty restaurants also accounted for a significant proportion of lunch traffic and sales, 4.8 percent and 6.2 percent, respectively, while cafeterias captured 4.7 percent of traffic and 4.8 percent of sales.



Source: CREST *Annual Household Report*, 1985.

Lunch on the run . . .

The number of customers ordering lunch to go is on the rise. In 1985, 34.7 percent of all lunch orders were eaten off premise, considerably higher than the 27.8 percent figure recorded in 1982. Take out traffic for the midday meal also jumped substantially between 1982 and 1985—29.4 percent—while the number of patrons eating inside the restaurant actually declined 6.2 percent during the same period.

Of those purchasing lunch to go in 1985, the largest proportion of patrons consumed it at home—30.2 percent. Next came taking lunch back to the office—28.2 percent—and eating it in the car—21.6 percent.

Most consumers said they buy take out lunches because they are pressed for time, according to data from NRA's study, *The Take Out Market*. This is understandable since 41.5 percent of all customers are on their lunch break. Other patrons simply order take out food for the midday meal because they are away from home. NRA's study indicates that more than 17 percent of consumers are shopping before they order a take out lunch, and 6.3 percent are participating in a recreational activity.

Most popular foods at lunch . . .

In 1985, sandwiches captured more than half the orders at lunch, and hamburgers and cheeseburgers were runaway favorites, accounting for 28.6 percent of the orders. French fries were also in high demand at the midday meal, representing 29.1 percent of orders. Side dish salads were ordered on 12.8 percent of all lunch visits, and fried chicken and chicken nuggets were requested on 9.8 percent of midday occasions.

Pizza orders at lunch posted the most impressive growth between 1982 and 1985; they were up a whopping 40.7 percent. This is probably the result of pizza chains introducing pizzas for one and pizza by the slice. Mexican food also jumped in popularity during the four-year period—36.4 percent. Orders for main dish salads and chicken at the midday meal also have recorded impressive gains—up 24.4 percent and 18.2 percent, respectively.

The key to lunch sales . . .

To operate a successful lunchtime business, restaurateurs not only need to be aware of those factors that affect traffic and sales, such as the employment outlook and consumer life-styles, but they must also keep attuned to consumer needs and expectations for the midday meal.

According to NRA's study, *Consumer Restaurant Behavior: A View Based on Occasion Seg-*

Profile of lunch customers

To better understand the lunch market it is helpful to know who is most likely to eat lunch away from home. The following information from NRA's *Meal Consumption Behavior* study spotlights consumers most likely to patronize restaurants for lunch:

- **Men.** In 1985, 56.3 percent of the males surveyed revealed they ate lunch away from home at least once a week, and they averaged 2.4 meals per week.
- **Working women.** Women who work full or part-time consumed 2.5 meals each week in a restaurant or school/work cafeteria in 1985.
- **Young adults.** In 1985, consumers 18 to 24 years old purchased more restaurant lunches than any other age group—2.5 meals a week.
- **High-income households.** In 1985, 65.2 percent of households with incomes of $50,000 or more ate lunch away from home, and they averaged 2.6 lunches a week in a restaurant or school/work cafeteria.

Percent change in lunch traffic for on premise vs. off premise

	On premise	Off premise
1982/83	(7.7)%	23.0%
1983/84	3.1%	4.2%
1984/85	(1.5)%	1.0%
1985/82	(6.2)%	29.4%

Source: CREST *Annual Household Report*, 1982–1985.

mentation, there are three main reasons why customers say they eat lunch in restaurants.

1. They want a "fast and inexpensive" meal. Generally, these patrons are captive—they are not in a position to prepare or eat their lunch at home, and they are likely to frequent fast food establishments.

2. They want to be "on familiar ground." Consistent quality in food and service is the key attraction for this occasion, which appeals to people in professional and managerial occupations who want to discuss work. These patrons tend to look for daily specials and well-balanced meals.

3. They want to satisfy a social or business obligation. Those who use lunch for this type of occasion typically look for restaurants with a more formal or upscale atmosphere. Attractive presentations are key.

In addition, more and more consumers are placing increased importance on the nutritional aspects of lunch. NRA research reveals that among the foods consumers are most likely to try at a restaurant for any meal are fresh fruit, lean meats, broiled or baked fish and seafood, and whole wheat bread, rolls and crackers. In addition, a recent Gallup/NRA survey reveals that many consumers are making genuine efforts to change their eating habits at restaurants. For example, patrons report eating more fish, seafood and vegetables and less sugar, meat, fat and fried foods.

By understanding customer motivations for eating lunch at restaurants and catering to their needs, restaurant operators can build a successful lunch business.

—Susan Adelman

Operators responding to consumer nutrition concerns

This article reviews the results of a recent Gallup survey which asked restaurant operators how they are responding to consumer nutrition concerns. The survey reveals that the majority of operators have healthful substitutes available and that they are willing to alter preparation methods when requested. One-quarter of them report featuring or promoting the health or nutritional benefits of their menu items.

As the evidence linking diet and disease grows stronger, consumers are becoming increasingly aware of health and nutrition. Recent NRA surveys have shown that adults are more conscious of their eating habits both at home and away from home (see June/July **NRA NEWS**), with four out of 10 changing those habits in line with U.S. dietary guidelines. Specifically, respondents say they want more vegetables, fish and salads and less fat, meat, salt and sugar. Considering the availability of reduced-calorie, lite and lean products, it is obvious that food manufacturers are taking advantage of consumer awareness. Are foodservice operators following suit?

The results of a Gallup survey conducted for the National Restaurant Association in May 1986 indicate they are.* The survey examined a number of indicators from the availability of healthful menu items to the promotions of menu items on the basis of their health and nutrition benefits.

Nutritious basics available at restaurants . . .

When asked which healthy substitutes restaurants have available, virtually all operators mentioned diet beverages (95 percent) or sugar substitutes (92 percent), and more than eight out of 10 (84 percent) said they offer decaffeinated coffee. About two-thirds have margarine (66 percent) available as well as whole grain bread, rolls or crackers. The majority will serve fresh fruit

Percent of operators offering substitutes on request

Make available on request		**Type of menu**		**Type of Restaurant**	
	All operators	**Limited**	**Full**	**Fast Food**	**Non-fast Food**
Diet beverages	95%	95%	95%	92%	96%
Sugar substitutes	92	86	95	85	94
Caffeine-free coffee	84	65	93	61	90
Margarine	66	46	74	40	72
Whole grain bread/ rolls/crackers	62	47	69	38	68
Fresh fruit for dessert	59	37	69	32	66
Reduced-calorie salad dressing	37	32	39	32	39
Low fat/skim milk	33	18	39	21	36
Salt substitutes	33	29	34	24	35
Bran cereals	31	15	38	17	35

Source: Gallup/NRA Operator Survey, June 1986.

**This report presents the results of questions asked exclusively for NRA on The Gallup Organization's Survey of Restaurant Managers. Telephone interviews were conducted in May 1986 with 504 restaurant operators who average more than 100 transactions daily and make purchase decisions for types and brands of products used by the restaurant or franchise.*

(59 percent) for dessert, and at least three out of 10 will honor requests for reduced-calorie salad dressings (37 percent), low-fat or skim milk (33 percent), salt substitutes (33 percent) or bran cereals (31 percent).

Operators accommodate special requests . . .

Because consumer nutrition concerns are focusing more directly on health maintenance and fat and cholesterol reduction, operators seem eager to accommodate these concerns. Almost three-quarters of the respondents reported they will alter preparation methods upon request. At least nine out of 10 will serve a sauce or salad dressing on the side or cook without salt. Operators also are willing to cook with unsaturated fats (margarine or vegetable oil) rather than saturated fats (butter, lard or shortening). Among those who will alter preparation methods on request, eight out of 10 report they will broil or bake a food rather than fry it, and six out of 10 will remove the chicken skin before cooking.

Restaurants more prone to alter preparation methods when requested are those with a full menu (78 percent), those that charge $5.00 or more per person for an evening meal (78 percent), fine dining establishments (86 percent) and family style operations (79 percent).

Many have health and nutrition menu sections . . .

Operators also were asked about their health or nutrition promotions. Thirty-eight percent said they either feature such a program now or have plans to do so in the future. Close to one-quarter (23 percent) have current promotions,

Percent of operators willing to alter food preparation methods on request

	Yes	No
All restaurant operators	**73%**	**24%**
Average cost per person per evening meal		
• Under $5.00	65	31
• $5.00 & over	78	20
Type of menu		
• Full	78	20
• Limited	62	33
Type of restaurant		
• Fast food	59	34
• Non-fast food	76	22
• Fine dining	86	13
• Family style	79	20
• All others	64	31

Note: *Proportion responding "don't know" is not shown. Otherwise response would equal 100 percent.*

Source: Gallup/NRA Operator Survey, June 1986.

Percent of operators who feature or promote menu items on basis of health and nutritional benefits

		Type of menu		Type of restaurant	
	All operators	Limited	Full	Fast food	Non-fast food
Yes	23%	14%	27%	14%	25%
No	76	84	73	83	75
Don't know	1	2	—	3	—

Source: Gallup/NRA Operator Survey, June 1986.

Types of changes operators will make*

		Type of menu		Type of restaurant			
Types of changes	All operators	Limited	Full	Fast food	Family style	Fine dining	All others
Serve sauce on the side	96%	90%	97%	90%	95%	100%	97%
Serve salad dressing on the side	93	84	96	78	93	100	95
Cook without salt	90	88	90	88	87	97	92
Prepare foods in vegetable oil or margarine	83	72	86	71	84	90	[illegible]
Broil or bake food rather than fry	80	60	87	48	85	96	78
Skin chicken before preparing	61	44	67	36	64	87	47

*Based on the 73 percent of respondents who said they would alter food preparation methods.

Source: Gallup/NRA Operator Survey, June 1986 and 15 percent have future promotional plans. These restaurants tend to feature full rather than limited menus and are non-fast food establishments. Nutrition promotions are more popular among operators located in the West and East and less popular in the South. Those who promote nutritious fare reported that, on average, 15 percent of their orders come from the health and nutrition selections. Fifty-three percent said that one to 19 percent of their orders are for health and nutrition selections, and another 15 percent indicated that 20 to 29 percent of their orders come from these items.

The methods used to promote nutritious restaurant fare include a special section on the menu (used by 37 percent), verbal promotion by waitstaff (12 percent), highlighting nutritious items on menu with special symbols (10 percent) and using a separate menu to promote health and nutrition selections (nine percent).

Because patrons tend to be put off by quantitative nutrient data, it is understandable that few operators reported printing any nutrition information on their menus. Four percent include caloric information, and only two percent convey the fat, sodium or cholesterol content. Among those who do not print nutrient information on the menu, 17 percent do have this information available upon request.

Restaurateurs note increased consumer interest in health and nutrition . . .

Restaurateurs were asked whether they noticed an increase in patron demand for healthful menu items. One out of two reported increased demand for salads, fish and seafood, and about four in 10 cited increases in the demand for fresh vegetables, poultry, fresh fruit and baked or broiled foods. Approximately one-third mentioned more requests for lean meat, foods prepared without sauces and butter and foods cooked without salt, while over one-fourth say the demand for desserts has increased. With the exception of desserts, these foods reflect consumer interest in a lower fat, lower cholesterol, higher fiber wellness diet. Other surveys, too, have identified similar foods, though not in identical sequence, as being the ones consumers are ordering most often in restaurants.

With the exception of salads, increased patron demand for the foods mentioned varies according to restaurant type. Non-fast food establishments and those with full menus more frequently mentioned noticing an increase in patron demand for these healthier items. This appears especially true for fine dining operations. These findings reinforce the concept that interest in nutrition in restaurants is partially dependent on the eating out occasion.

Continued marketing opportunity for operators . . .

Consumer interest in nutrition has been steady over the past few years. Both federally-sponsored public nutrition education programs and stronger scientific consensus on diet and disease are expected to not only sustain but also to fuel the public's interest in health and nutrition. This presents a continued marketing opportunity for foodservice operators.

—Claire Regan, R.D.

A second look at new concepts

A recent Gallup survey shows that the popularity of new restaurant concepts has changed since last year.

Competition in the foodservice industry has operators scrambling to explore new ways to differentiate themselves from others while still satisfying diverse consumer tastes and needs. That is why new restaurant concepts and menu items have emerged

Last year, the National Restaurant Association commissioned the Gallup Organization to examine consumer behavior toward a variety of specialty restaurants. Results from that survey, which was discussed in the June/July 1985 issue of this magazine, provided a first look at consumer patronage and the demographic segments driving the expansion of specialty restaurants. A similar survey was conducted again this year.[*] In comparing this year's results to those of the year before it appears that not all concepts are doing equally well.

Barbecue, pasta and pizza delivery soar . . .

Barbecue, pasta and pizza delivery specialty restaurants were more popular with consumers this year. Nearly one out of two consumers patronized barbecue restaurants, pasta restaurants, or pizza delivery restaurants during the first quarter of this year, reflecting a substantial increase for each segment. The increase in patronage may be partly a result of the growth in the number of these establishments. Food courts, in particular, seem to attract barbecue and pasta specialty restaurants, and they are growing in number. In addition, barbecue and pasta items are featured more frequently on the menus of many midscale and upscale restaurants. In the pizza business, delivery is fast becoming a standard of service.

Forty-seven percent of the adults interviewed indicated eating a meal or snack at an establishment specializing in barbecue, up considerably from 34 percent in 1985. Barbecue, a traditional Southern favorite, is enjoying more widespread acceptance. While it is still most popular with Southerners, survey results show it has made substantial gains in both the Midwest and West. Forty-six percent of the Midwesterners had been to a barbecue specialty restaurant this year versus only 28 percent in 1985. Of the Westerners, 49 percent had eaten at a barbecue restaurant early in 1986 compared to 32 percent the previous year.

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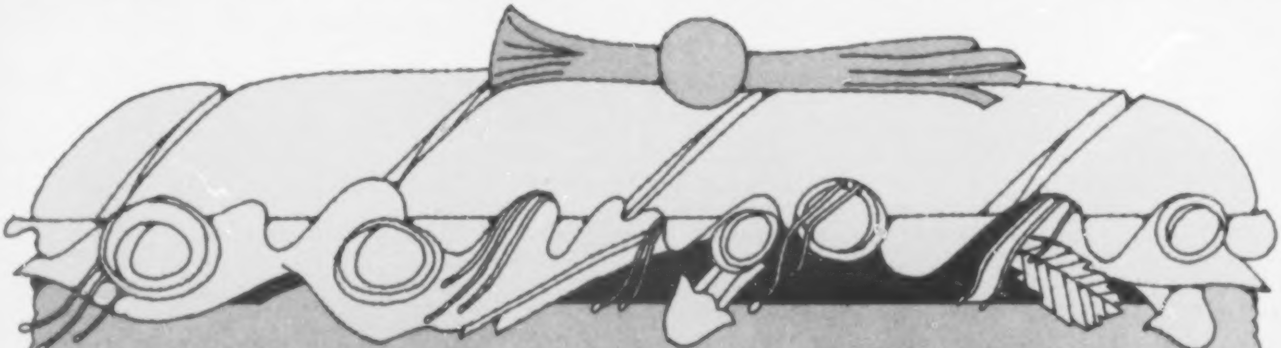
[*] *In March 1985, and again in April 1986 the National Restaurant Association commissioned the Gallup Organization to conduct a survey of adults to ascertain their current use and future likelihood of using different restaurant concepts. The 1985 survey included American regional cuisine, but the 1986 survey did not. Two new concepts, hot dogs and bakery items, were added to the 1986 survey. Approximately 2,000 men and women, 18 years old and older, were interviewed by telephone during the periods of March 11 through March 31, 1985, and April 7 through April 30, 1986. The question asked of all adults in both surveys was, "In the past three months have you eaten a meal or snack from a place that specializes in . . . ?"*

Pasta specialty restaurants enjoyed increased patronage—visited by 46 percent this year versus only 35 percent in 1985. Again this year, Easterners were the most likely group to have eaten a meal or snack at a pasta specialty restaurant.

Pizza delivery restaurants are gaining a greater market share. Pizza delivery remains most popular with 18 to 24-year-olds—nearly three-fourths of the respondents in this group indicated they had purchased food from a place specializing in pizza delivery in the first quarter of this year. Working women also seem to enjoy the



Consumer patronage of specialty restaurants*

Specialty restaurant	March 1985	April 1986
Bakery items, such as croissants, muffins, cinnamon buns	**	49%
Pizza delivery	40%	47
Barbecue	34	47
Pasta	35	46
Hot dogs	**	42
Premium, hand-dipped ice cream	32	34
Hamburgers with a variety of toppings, served in establishments that offer alcoholic beverages	33	34
Diet or lite menu items	26	29
Asian fast food	25	29
Freshly baked cookies	29	26
Gourmet, ready-to-eat take out foods	18	21
Marinated, broiled or Mexican-style chicken	17	20
Spicy, Cajun-style cooking	14	18
Display cooking in front of patrons	12	13
Mesquite grilling	5	9
Sushi or sashimi	7	5

**Percentage of adults who patronized restaurants in first three months of 1985 and 1986*
***Not asked in 1985 survey*

Source: *Consumer Preferences for New Restaurant Concepts, 1986*, National Restaurant Association, August 1986.

Proportion responding very likely/likely to try specialty restaurants*

Specialty restaurant	March 1985	April 1986
Premium, hand-dipped ice cream	37%	39%
Barbecue	35	35
Freshly baked cookies	30	31
Pasta	28	27
Pizza delivery	24	26
Bakery items, such as croissants, muffins, cinnamon buns	**	26
Hamburgers with a variety of toppings, served in establishments that offer alcoholic beverages	24	22
Gourmet, ready-to-eat take out foods	20	22
Display cooking in front of patrons	22	21
Asian fast food	21	19
Diet or lite menu items	19	18
Marinated, broiled or Mexican-style chicken	17	18
Spicy, Cajun-style cooking	16	15
Mesquite grilling	12	14
Hot dogs	**	14
Sushi or sashimi	8	8

**Asked only of those respondents who had not tried the restaurant in the first three months of 1985 and 1986*
***Not asked in 1985 survey*

Source: *Consumer Preferences for New Restaurant Concepts, 1986*, National Restaurant Association, August 1986.

convenience of this service—about one in two had patronized a restaurant specializing in pizza delivery.

Gourmet hamburgers are holding steady . . .

Thirty-four percent of consumers surveyed had eaten at an establishment that offers alcoholic beverages and specializes in hamburgers with a variety of toppings. This figure is only one percentage point above 1985 levels. Although the gourmet hamburger segment was expected to be a profitable one, the demand for this specialty may have been overestimated. Many companies that rushed to get in to the market are now scrambling to get out, and others are revamping concepts and expanding menus in order to survive.

Young people, singles and individuals with household incomes over $30,000 a year were the target markets for gourmet hamburgers. Yet this specialty restaurant has lost favor with these same groups.

More ice cream . . .

American consumers continue to enjoy dessert items. More consumers patronized premium hand dipped ice cream establishments in 1986—34 percent versus 32 percent in 1985. Ice cream places decreased in popularity with 18 to 24-year-olds (down 4 percentage points), but gained patronage in all other age segments.

On the other hand, fewer adults patronized stores specializing in freshly baked cookies this year, 26 percent as opposed to 29 percent a year ago. The incidence of patronage declined in all but three demographic segments—50 to 64-year-olds, women who work full-time and individuals with incomes between $20,000 and $29,999 a year. Patronage in each of these segments was up a slight two percentage points.

Asian fast food and lite menu items catch on . . .

Restaurants specializing in Asian fast food and diet or lite menu items are gaining ground. About three out of 10 adults surveyed had patronized establishments offering one of these specialties in 1986. In comparison, about one-fourth indicated they had been to such places in 1985.

Asian fast food has won favor with the traditional fast food customer: young adults between the ages of 18 and 24, followed closely by singles and working women. While diet or lite menu items remain most popular with working women, there have been significant increases this year in the number of men and 18 to 24-year-olds who reported patronizing establishments offering this specialty. In 1985, only 22 percent of the males and 23 percent of the 18 to 24-year-olds had gone to an establishment specializing in diet or lite menu items. This year these numbers are up to 26 percent and 30 percent, respectively.

Regional concepts gain acceptance . . .

Chicken—marinated, broiled or Mexican-style—Cajun style cooking and mesquite grilling are three regional concepts gaining consumer acceptance in all parts of the country.

The increased popularity of each of these concepts can be attributed, in part, to their expansion outside their traditional strongholds in the South and West, particularly to the East and Midwest.

- Marinated, broiled or Mexican-style chicken restaurants were tried by 17 percent of those residing in the Midwest and East, representing increases from 13 and 11 percent, respectively.
- Spicy, Cajun-style places were patronized by 17 percent in the East (up from 13 percent in 1985) and by 14 percent in the Midwest (up from 11 percent the previous year).
- Six percent of the Easterners and five percent of the Midwesterners had patronized an establishment specializing in mesquite grilling this year versus 1985 levels of four and two percent, respectively.

Bakery items and hot dogs popular . . .

Two concepts added to this year's survey— restaurants specializing in hot dogs and those establishments offering bakery items, such as croissants, muffins and cinnamon buns—are very popular with American consumers. Forty-nine percent of the respondents had eaten a meal or snack from an establishment specializing in bakery items, and 42 percent had been to a hot dog specialty restaurant during the first three months of 1986.

Many different types of establishments—donut shops, convenience stores and even upscale restaurants—now offer a line of freshly baked goods. In addition, bakery specialty restaurants are now located in many food courts. This may account for the relatively high proportion of consumers having eaten at places specializing in bakery items. Young adults (56 percent), individuals with household incomes of $30,000 or more (56 percent), college graduates (55 percent) and women who are employed full-time (52 percent) are the demographic segments most likely to have patronized a place specializing in bakery items.

Because hot dogs have always been an American favorite, their popularity among survey participants is not surprising. The growth of food courts and several gourmet hot dog chains may also be contributors to the rather large proportion of adults who reported they had been to a restaurant which featured hot dogs during the first quarter of this year. The demographic segments most likely to patronize establishments specializing in hot dogs include 18 to 24-year-olds (53 percent), nonwhites (51 percent), men (48 percent) and residents of the Midwest (44 percent).

Consumers still willing to try new concepts . . .

Respondents who had not been to specialty restaurants were asked how likely they would be to try these 16 concepts in the future if the opportunity were available to them. The results from the 1986 survey are similar to those obtained the previous year.

Again this year, premium, hand-dipped ice cream, barbecue and freshly baked cookies elicited the most positive future trial response.

At least one in four expressed an interest in trying pasta, pizza delivery and bakery restaurants, suggesting these specialties still have room to grow. Central computer systems should boost the spread of pizza delivery, and America's sweet tooth will undoubtedly continue to support sales of bakery items.

A slightly smaller proportion expressed a willingness to try places specializing in gourmet, ready-to-eat take-out foods (22 percent), hamburgers with a variety of toppings served in establishments that offer alcoholic beverages (22 percent), display cooking in front of patrons (21 percent) and Asian fast food (19 percent).

While fewer than one-fourth expressed a willingness to try the other concepts, many still have only limited exposure and therefore remain relatively unknown to many consumers. However, as more operators begin to offer specialties, such as mesquite grilling and marinated, broiled or Mexican-style chicken, these concepts will undoubtedly also find consumer acceptance.

Selected demographic changes in consumer patronage of specialty restaurants*

Specialty restaurant	**March 1985**	**April 1986**
Barbecue		
East	32%	49%
Midwest	28	46
Pasta		
Midwest	33	47
West	36	47
South	28	39
Pizza delivery		
18 to 24-year-olds	62	73
Working women	43	51
Hamburgers with a wide variety of toppings, served in establishments that offer alcoholic beverages		
18 to 34-year-olds	44	41
Annual income of $30,000 or more	42	39
Singles	40	37
Premium, hand-dipped ice cream		
18 to 24-year-olds	42	38
25 to 34-year-olds	32	38
35 to 49-year-olds	35	37
50 to 65-year-olds	28	31
65 years old and over	22	25
Freshly baked cookies		
18 to 24-year-olds	44	32
Singles	34	26
Asian fast food		
18 to 24-year-olds	32	38
Singles	30	34
Working women	29	34
Diet or lite menu items		
Working women	33	34
Men	22	26
18 to 24-year-olds	23	30
Mesquite grilling		
East	4	6
Midwest	2	5
25 to 34-year-olds	6	12
Married couples	4	9
Marinated, broiled or Mexican-style chicken		
East	13	17
Midwest	14	17
25 to 34-year-olds	21	26
Married couples	15	20
Spicy, Cajun-style cooking		
East	13	17
Midwest	11	14
18 to 24-year-olds	18	26
Non-whites	20	27

**Percentage of adults from specified demographic segments who patronized restaurants in first three months of 1985 and 1986*

Source: *Consumer Preferences for New Restaurant Concepts, 1986*, National Restaurant Association, August 1986.

For more information

NRA has published a complete report of the two surveys. Called *Consumer Preferences for New Restaurant Concepts, 1986*, it details the results of the 1986 survey. Included are comparisons with responses from the 1985 survey along with extensive demographic information, such as age, sex, household income, household size, marital status, region of the country and education.

The cost to NRA members is $15 (plus $2 shipping and handling), and the cost to non-members is $30 (plus $3 shipping and handling). Residents of Washington, DC, must add a six percent sales tax. Illinois residents must add seven percent. Chicago, IL, residents must add an additional one percent sales tax, bringing their sales tax total to eight percent.

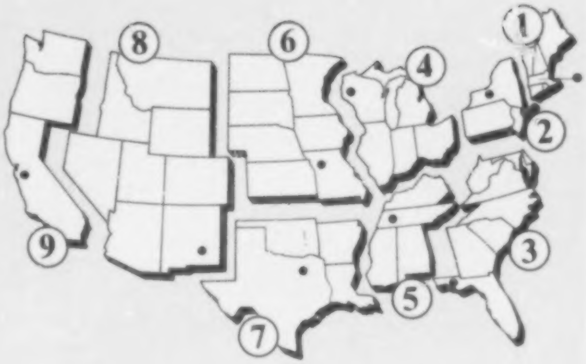
To order, contact the National Restaurant Association, 311 First St., N.W., Washington, DC 20001 or call (800) 424-5156 or (202) 638-6100. **Payment must accompany all orders.** Credit card telephone orders are accepted. Please specify number CS803 when ordering.

Those who were eager to try, did . . .

In 1985, the demographic segments that were most eager to try new restaurant concepts included working women, 18 to 24-year-olds, college graduates and individuals with household incomes of $30,000 a year or more. This year's results show that more working women patronized these specialty restaurants during the first three months of 1986 than did other demographic groups, and 18 to 24-year-olds made a strong showing. College graduates and individuals with incomes of $30,000 or more were also more likely than other demographic segments to have eaten a meal or snack at a specialty restaurant.

These demographic segments seem to be the driving force behind the growth of specialty restaurants. Furthermore, changes in the preferences of these groups appear to have directly influenced the overall acceptance level of many of the restaurant concepts included in this survey. The concepts these groups were very likely to patronize this year, pizza delivery, barbecue and pasta, are those that recorded the most substantial increases in popularity since the 1985 survey. On the other hand, the concepts which fell out of favor with these demographic segments, freshly baked cookies and gourmet hamburgers, experienced very little or negative growth in 1986. Understanding why and where these consumer segments spend their away-from-home food dollar could be the key to success for many specialty restaurant operators.

—Kate Conroy



1 NEW ENGLAND

Location: Springfield, MA
NRA member: Rupprecht R. Scherff
Operation: The Student Prince Cafe
Profile: Full service restaurant
In business: 51 years
Seats: 150
Meals served: Lunch, dinner

According to **Rupprecht Scherff,** owner of The Student Prince Cafe, the economy throughout the entire state of Massachusetts is flourishing, and the unemployment rate is among the lowest in the nation. "It's tough to get help," reports Scherff. "Fortunately, we've been blessed with many long-time employees who are loyal to us."

The Student Prince, named after a classic German operetta, has been serving German food to Springfield residents and tourists for more than 50 years. Scherff says German cuisine is especially popular among GIs who were first introduced to it during World War II. House specialties include *jaegerschnitzel* (veal cutlet in burgundy wine), *sauerbraten* (marinated pot roast) and standard American beef dishes. The German theme is carried through the restaurant's decor, with beer steins gracing the walls as well as antlers and fancy "old country" glassware.

2 MIDDLE ATLANTIC

Location: Rochester, NY
NRA member: Richard Rund, Sr.
Operation: Rund's on the Ridge
Profile: Full service restaurant
In business: 9 years
Seats: 200
Meals served: Lunch, dinner

The recent layoffs at Eastman Kodak, a major employer in Rochester, combined with the summer heat, have caused business to slow at Rund's on the Ridge. But manager **Jack Schifano** doesn't expect customer counts will be down for long. "As soon as the cool weather hits, we'll be back into our busy season," he predicts.

Although the first thing customers see when they enter Rund's on the Ridge is a large rotisserie for cooking meats to juicy perfection, the specialty of the house is unquestionably seafood. In addition to an oyster bar and an extensive salad bar, customers enjoy a spectacular seafood buffet which includes shrimp—fried, peeled or in a salad; fried clam strips; fried smelt; clam and scallop casseroles and two kinds of homemade soups. And for a small extra charge, customers can buy an unlimited supply of crab legs.

3 SOUTH ATLANTIC

Location: Pensacola, FL
NRA member: Arden Anderson
Operation: New World Landing
Profile: Full service restaurant
In business: 3 years
Seats: 150
Meals served: Breakfast, dinner

"It seems everyone in Pensacola wants to get into the restaurant business," laments **Arden Anderson,** owner of New World Landing. "There is a new restaurant opening every 10 minutes." But New World Landing still does a steady business.

Old-world elegance is captured at New World Landing. Each of the three dining rooms has a distinctive motif: One is French, one is Spanish, and one is old-style American with paintings of turn-of- the-century Pensacola. The menu is a similar blend, with seafood (from the Gulf Coast) prepared according to traditional French, Spanish and American recipes.

4 EAST NORTH CENTRAL

Location: New Richmond, WI
NRA member: Ed Schurmeier
Operation: The Next Door Cafe
Profile: Full service family restaurant
In business: 12 years
Seats: 115
Meals served: Breakfast, lunch, dinner

Last year, six competing restaurants opened up shop near the Next Door Cafe. This competition, combined with the recession in the surrounding farm areas, led to a decline in business for the family restaurant, according to owner **Ed Schurmeier.** But Schurmeier says this year tourists and residents are filling up tables.

The Next Door Cafe isn't next door to anything in particular. The Schurmeiers borrowed the name from a restaurant they visited while on vacation—liking its homey touch. In their cafe, they strive for an atmosphere that lives up to the name. Country artifacts predominate, and the walls of the restaurant are filled with the honors and photographs of a local high school band that has gained national prominence. The band even traveled to Washington, D.C., to perform during the Carter administration. "We like to promote our own," says Schurmeier.

5 EAST SOUTH CENTRAL

Location: Wildersville, TN
NRA member: Stephen K.

McDaniel
Operation: Cotton Patch Restaurant
Profile: Full service restaurant
In business: 7 years
Seats: 150
Meals served: Breakfast, lunch, dinner

Located directly off I-40, midway between Nashville and Memphis, the Cotton Patch is doing a good business this summer. "There are more tourists on the road, which means more potential customers for us," explains owner **Stephen McDaniel.** McDaniel estimates that 70 percent of his business comes from travelers.

The Cotton Patch is located near old cotton fields, hence its name. It is also located near an historic Civil War battlefield, so the restaurant is filled with swords, guns, saddles and other relics from the war as well as limited-edition prints of local battlefield scenes.

McDaniel describes the Cotton Patch menu as "full, to satisfy the many different kinds of people who make up our clientele." Pork barbecue is a big favorite, followed by steaks and catfish.

Once a year McDaniel hosts an anniversary party which features live entertainment and a cotton-picking contest.

6

WEST NORTH CENTRAL

Location: Pleasant Hill, MO
NRA member: Jean Taylor
Operation: The Occasion Restaurant
Profile: Full service restaurant
In business: 2 years
Seats: 145
Meals served: Breakfast, lunch, dinner

Business has been up and down at the two-room Occasion Restaurant. Situated in a farming community, the farm crisis has definitely hurt business. But owner **Jean Taylor** says the restaurant's casual front room is regularly full of local farmers, so the restaurant has been able to create a niche in spite of the economy. "The more upscale, dimly-lit back room fills with bankers and white-collar professionals," explains Taylor. "Our customers gravitate to whichever area seems most comfortable."

Regardless of their seating preference, all customers have their choice of steaks, seafood or Italian entrees. While most items on the menu are fairly traditional—lasagna and spaghetti with meatballs are the big sellers among the Italian entrees—all items are homemade and prepared on the premises. Typical of the Midwest, the most popular item on the menu is prime rib—particularly when served in combination with spiced shrimp. Items such as biscuits and gravy give the menu a country flair.

7

WEST SOUTH CENTRAL

Location: Dallas, TX
NRA member: Bill Gross
Operation: Chip's Old Fashioned Hamburger
Profile: Self-service restaurant
In business: 5 years
Seats: 100
Meals served: Lunch, dinner

The oil crisis has hurt many upscale restaurants in Dallas. But the silver lining is that many less expensive restaurants have benefited—including Chip's Old Fashioned Hamburger. "People are now more inclined to think of us when they want to eat out," reports owner **Bill Gross.**

Chip's Old Fashioned Hamburger is located in a converted fire station, and many old fixtures still remain. A brick interior, tile floor, tin ceiling and copper-top counter are all reflections of the building's roots. At Chip's, customers place their order at the counter and wait until their name is called. And what do they generally wait for?—hamburgers, of course, cooked to order over an open griddle. Specialty toppings include bacon and hickory sauce or chili with jalapeno peppers. For non-burger lovers, Chip's also serves baby-back spareribs, charbroiled chicken, chicken fried steak and salads.

8

MOUNTAIN

Location: Las Cruces, NM
NRA member: Jacque Divyak
Operation: Desert Rose Cafe
Profile: Full service restaurant
In business: 5 years
Seats: 75
Meals served: Lunch, dinner, Sunday brunch

The economy in Las Cruces is much better this year than last, reports **Jacque Divyak,** co-owner of the Desert Rose Cafe. Interest rates and gas prices are down, and traffic through the small town at the southernmost tip of New Mexico is up. But since Las Cruces is off the beaten tourist path, "we're not directly affected by the tourism boom," says Divyak. "But tourism does affect the people that affect us. Our customers—local residents and people from nearby El Paso—are doing better, so they are able to come in more often."

The Desert Rose Cafe combines a number of design elements to create a unique look: A stucco roof outside says arid desert, stained glass windows in one dining room say formal elegance, and neon lights depicting two people dancing say high tech in another dining room. The Southwestern cuisine also changes. Steak, such as chili-stuffed tenderloin, and seafood, are most popular at night. Lighter sandwiches and salads are featured at lunch.

9

PACIFIC

Location: San Francisco, CA
NRA member: Jeffrey Pollack
Operation: The Shadows
Profile: Full service restaurant
In business: 54 years
Seats: 99
Meals served: Dinner

For 53 years, The Shadows was a popular German restaurant in San Francisco. Then, last year the restaurant closed for two months and reopened as a French restaurant. "The change reflects people's interest in lighter cuisine," explains owner **Jeffrey Pollack.** So far, he says, the change has been successful.

The restaurant was remodeled to look like an actual French chateau, both inside and out. But even more dramatic was the change in menu. Entrees now range from "steamed redfish with julienne vegetables wrapped in lettuce" to "saddle of lamb with garlic cream sauce" and desserts include such items as homemade persimmon ice cream.

To woo new customers to the restaurant, the dining room is closed to the public once a month and opened only to invited guests. On these evenings, the chef serves experimental dishes accompanied by wines from California's wine country.

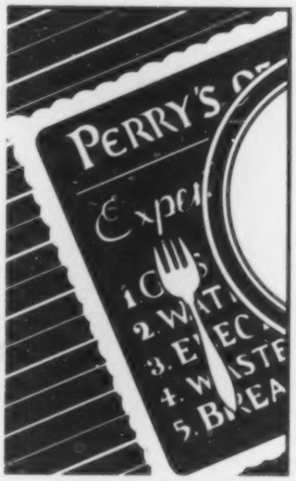
—Anne Papa

Telling it like it is

The tourists who eat at Perry's of the Keys, a family restaurant in Key West, FL, know exactly what they are getting when they pay $2.25 for a grilled cheese sandwich. That's because it is spelled out in black and white on the placemats.

"Paradise isn't cheap," read the placemats at Perry's. "No, our grilled cheese sandwich does not cost us $2.25. But our monthly expenses are . . ." and the copy proceeds to outline Perry's monthly operating expenses, including utilities, such as electricity, gas and water as well as variables, such as waste and breakage. The last line reads, "I hope I've convinced you not to open a restaurant. I would like to have a monopoly."

Gus Boulis, owner of Perry's, decided to print the placemats because customers complained about his steep prices. The placemats have become such a novelty item among tourists, reports manager Margaret Hren, that the restaurant gives away an average of 100 per day. Have the complaints about high prices stopped? "Not noticeably," says Hren.



—RESTAURANTS USA
interview

Secret snacks of top chefs

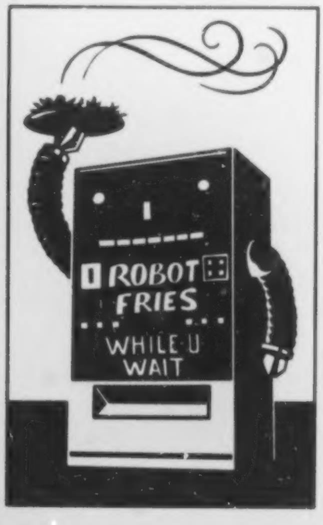
When New York City's top chefs and restaurateurs want a snack, they don't necessarily reach for *foie gras* or salmon mousse. For instance, Joe Baum, owner of the glamorous new Aurora restaurant, says he favors "anything from any streetcorner that has fried onions." Larry Forgione of 2 A.M. is a bit more discriminating; his favorite snack is soft pretzels from vending carts. "Although," he complains, "they aren't as fresh as they used to be. They put them in a heating cart and they get soggy, and the salt falls off."

Barry Wine, owner of the posh Quilted Giraffe restaurant, says he is a "10-Oreo-a-day person." He has even created his own version of the popular cookie for the Giraffe's menu, consisting of white chocolate mousse filling between two cocoa-flavored pizelles. And Alfred Portale, owner of the Gotham Bar and Grill in Greenwich Village, says he doesn't eat junk food—since pizza is technically nutritious and does not qualify.

—New York Times

Faster than fast food

French fries will be as readily available as instant cash at automatic teller machines, if entrepreneur William Bartfield has his way.



Bartfield is the founder of Prize Frize, the world's first french fries vending machine. How does a Prize Frize machine work? Each machine is equipped with a small "robot cooker," which actually slices off a portion of potato concentrate, cooks it in oil and serves it on a platter with little packages of salt and ketchup—all for 75 cents and in less than two minutes.

Prize Frize machines are currently being introduced in San Diego and Sacramento as a pilot for a gradual rollout. Bartfield says Prize Frize won't hurt fast-food store sales, but could damage the potato chip market. "The world appetite for fries seems to be insatiable," he says.

—Advertising Age

Grandparents closeup

A record 49 million U.S. adults are grandparents, according to a survey released by *Grandparents* magazine, a special interest publication published by *Better Homes and Gardens*. The average number of grandchildren per grandparent is 3.4.

The survey also found that 82 percent of the grandparents own their own homes, 72 percent live in one-to-two-person households and almost all live apart from their grandchildren.

The median age of America's grandparents is 61 years. Predictably, 59 percent are female and 41 percent are male. Sixty-eight percent are currently married.

As far as grandchildren are concerned, 22 percent of the grandparents surveyed have one or two grandchildren under one year of age. Twenty-seven percent have grandchildren who are one to two years old, and 20 percent have adult grandchildren. The largest category of grandchildren—47 percent—are between the ages of six and 11.

—Better Homes and Gardens

Presenting **Washington: What's the ROI?**

The National Restaurant Association's
Second Annual Public Affairs Conference
September 22–24, 1986
The Park Hyatt Hotel
Washington, DC
Conference fee: $175

Let your voice be heard in Washington

Like it or not, government is our constant partner. From the wages we pay our employees to the food we serve our customers, Uncle Sam's long arm reaches into every facet of our operation. Wage and hour laws, food safety regulations, taxes, and OSHA and EEOC rules—they all affect the way we conduct business.

What can we do about it? How can we get a better return on our "investment" in government? It's simple—get involved. We owe it to ourselves and our industry to make our voices heard in Washington. That's why the National Restaurant Association is sponsoring **Washington: What's the ROI?**, a Public Affairs Conference for foodservice operators.

Building on the success of last year's conference, we are again offering you the opportunity—and challenge—of coming to Washington to meet with public officials and to discuss with them the issues facing our industry. We'll tell you how to communicate effectively with your elected representatives, and show you how involvement in the political process can pay dividends in better and more responsive government.

Confirmed speakers include Labor Secretary William Brock, Health & Human Services Secretary Otis Bowen, Senate Budget Committee Chairman Pete Domenici (R-N.M.), Pulitzer Prize-winning commentator George Will and political observer Fred Barnes. Also invited are Senator Edward Kennedy (D-Mass.), House Majority Leader Jim Wright (D-Tex.) and House Republican Whip Trent Lott (R-Miss.).

The conference will feature panel discussions with Administration officials in the labor, tax and food safety areas, and a congressional reception honoring House and Senate members. But most important, we'll arrange appointments for you to visit your representative and senators in their Capitol Hill offices to talk about foodservice issues.

Maximize *your* return on investment in government. Mark your calendar now for **Washington: What's the ROI?**, September 22–24, at the Park Hyatt Hotel in Washington. For more information or to register, contact the NRA Government Relations Department: 800/424-5156 (toll-free) or 202/638-6100. Or write us at 311 First Street, N.W., Washington, DC 20001.

Department Of
Health And Human Services

A8200-1

DISCOVERING HIDDEN PROFITS IN PURCHASING

12 Winning Tips
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Hydroponics
Fresh Fish
Catering Equipment

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NRA MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management
10/9 Williamsburg, VA
10/15 Eugene, OR
10/20 Appleton, WI
10/27 Louisville, KY
11/17 Monterey, CA
11/19 Sacramento, CA

Dining Room Management: Sales and Service
10/21 Appleton, WI
11/18 Monterey, CA
11/20 Sacramento, CA

Kitchen Management
9/24 Providence, RI
10/7 Toronto, Ontario, Canada
10/8 Winnipeg, Manitoba, Canada
10/21 Albuquerque, NM
11/18 St. Louis, MO
11/20 Columbus, OH

People-Power and Profits
10/8 Portland, OR
10/16 Worcester, MA
11/17 St. Louis, MO

Tools for Training
10/6 Dallas, TX
11/10 Cincinnati, OH
11/12 Detroit, MI

Food Production Courses

Perfecting Your Culinary Skills
10/16 Rochester, NY
10/28 Denver, CO
11/11 Wilmington, DE

Simplified Baking Workshop
9/23 Denver, CO
10/7 Burlington, VT
11/11 Norfolk, VA

Soups and Sauces
11/10 Concord, NH
11/11 Warwick, RI

Foodservice Management Courses

Banquet Management
9/29 Knoxville, TN
10/6 Detroit, MI
10/7 Indianapolis, IN
11/3 Baltimore, MD
11/17 St. Louis, MO

Beverage Management
9/23–24 Milwaukee, WI
11/5–6 Seattle, WA
11/18–19 Louisville, KY

Employee Motivation
10/7 Atlanta, GA
10/9 Ft. Lauderdale, FL
11/10 Ft. Worth, TX

Food Cost Management
11/3 San Diego, CA
11/18 St. Louis, MO

Foodservice Operators Legal Workshop
10/14 Richmond, VA
11/10 Minneapolis, MN
11/17 Nashville, TN

Menus That Sell!
9/22 Lancaster, PA
10/14 Cape Cod, MA
11/5 Newark, NJ

Negotiating for and Financing Foodservice Facilities
10/16–17 Raleigh, NC
11/5–6 Madison, WI

Off-Premises Catering
10/28–29 Cleveland, OH
11/5–6 West Palm Beach, FL

Operational Analysis
10/6–7 Washington, DC
11/12–13 Indianapolis, IN

Planning Successful Buffets
10/27 Bethesda, MD
10/28 Philadelphia, PA

Real Estate and Restaurant Site Selection
10/14–15 Milwaukee, WI
11/12–13 Denver, CO

Restaurant Design and Facilities Planning
10/8–9 New York, NY
11/10–11 Portland, OR

Stress and Foodservice
9/24 Greensboro, NC
9/29 Columbus, OH
10/15 Sacramento, CA
10/16 Burlingame, CA

Planning and Implementing Restaurant Marketing Strategy
10/7–8 Phoenix, AZ
10/21–22 Minneapolis, MN
11/17–18 St. Louis, MO

Wine and the Bottom Line
10/6 Denver, CO
11/3 Boston, MA
11/18 Rochester, NY

NATIONAL CONFERENCES

Eleventh Annual California Wine Workshop
9/29–10-3 Monterey, CA

National Conference on Catering
11/16–19 New Orleans, LA

Independent Foodservice Operators' Conference
1/18–21/87 San Francisco, CA

National Conference on Computers in Foodservice
3/8–11/87 Dallas, TX

For more information, contact
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156 or
(202) 638-6100

STUDY GROUP MEETINGS

Financial Officers
10/15–17 Williamsburg, VA

Foodservice Purchasing Managers
10/9–10 San Francisco, CA

MAECO
10/1–3 San Diego, CA

Market Research
10/8–10 Scottsdale, AZ

Marketing Executives
10/19–21 New York, NY

MIS (formerly EDP)
10/14–17 Monterey, CA

Quality Assurance
10/22–24 Boston, MA

Tax Executives
10/15–17 Williamsburg, VA

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

Published by the National Restaurant Association

RESTAURANTSUSA
VOL. 6 NO. 8 **SEPTEMBER 1986**

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Restaurants USA (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one year subscription to ***Restaurants USA.*** The non member subscription fee is $125 per year. Second class postage paid at Washington, DC 20001 and additional mailing offices. Copyright © NRA 1986. Postmaster, send address change to ***Restaurants USA***, 311 First St., N.W., Washington, DC 20001.

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G. "Jim" Hasslocher
President
Frontier Enterprises
San Antonio, Texas

PRESIDENT'S REPORT

G. "Jim" Hasslocher, President
Frontier Enterprises, San Antonio, Texas

National Restaurant Association members from across the country will convene this month in Washington, DC, for NRA's second annual Public Affairs Conference. If you are like me, some days it seems as though we spend more time working for Uncle Sam than for ourselves. Like it or not, government is our ever-present partner. From the wages we pay our employees to the food we serve our customers, Uncle Sam's long arm reaches into every facet of our operation. What can we do about it? It's simple—get involved.

NRA members to convene at Public Affairs Conference

The NRA September Public Affairs Conference can be your first step toward making a difference in the legislation and regulations coming out of Washington and into our operations. During the conference, you will have an opportunity to meet individually with your senators and representative to discuss current issues facing our industry in general and your business specifically. The list of speakers NRA will bring together includes some of our country's most influential public officials and reads like a who's who of Washington: Department of Labor Secretary William E. Brock, Health and Human Services Secretary Otis R. Bowen, Chairman of the Senate Budget Committee Sen. Pete Dominici (R-NM), Sen. Edward M. Kennedy (D-MA) and House Minority Whip Rep. Trent Lott (R-MS) as well as prominent political commentators and journalists Frederic Barnes, Jr., Paul Duke and George F. Will.

The Public Affairs Conference will provide you with insight into the inner workings of government and this administration. Your involvement can make a difference: It will ensure that we have the influence on Capitol Hill that is crucial for our business success.

Chef d'Oeuvre—an informal opportunity to meet with Congress

In addition to the impressive line up of speakers and Capitol Hill visits, the NRA's fourth annual *Chef d'Oeuvre* congressional reception, held in conjunction with the conference, provides additional opportunities for you to meet informally with members of Congress to discuss industry issues. More than 200 members of Congress are expected to attend. Make plans today to attend NRA's 1986 Public Affairs Conference, September 22–24, in Washington, DC. Contact NRA's Government Affairs Department to register or for more conference information.

NRA Board meeting to set association agenda

The NRA Board of Directors will meet in Washington, DC, prior to the Public Affairs Conference. Association activities, both present and future, will be reviewed and developed during this meeting. Look for a report of the Board meeting discussions and initiatives in the October President's Report.

NRA testifies on ingredient labeling

NRA actions in government-related activities in Washington did not slow during the summer holidays. NRA's government relations staff testified before the Food and Drug Adminstration's Ad Hoc Committee on Hypersensitivity to Food Constituents in August. The specific issue was ingredient labeling on "fast food" packaging. NRA strongly opposed mandatory labeling while supporting consumers' right to know what is in the food they eat. NRA cited current efforts on the part of large fast food operations to make ingredient information readily available to their patrons in the form of point-of-sales materials.

NRA testimony pointed out that however well intended, mandatory labeling will be nothing more than a financial burden on the American consumer. It argued that ingredient labeling on wrappers would give the consumer the information only after the item was purchased and would, therefore, be of little assistance to the consumer since it would provide "after the fact" information. "You can't solve a foodservice problem with a supermarket answer," the statement said. We also explained to the committee that if the foodservice industry is left to its own devices, it will respond to the problem with a solution that will be not only cost effective but also responsive and beneficial to the consumer.

Industry-wide promotion to be released

The association was active this summer in non-government related activities as well. The National Restaurant Association has joined forces with 14 other associations in a hospitality industry image project. Details of the project will be released next month at a press conference in New York. Simultaneously, you will be among 55,000 foodservice and lodging operators who will receive a packet of materials explaining how to participate in the nationwide program. This program is the largest unified effort ever made by the hospitality industry. You will want to take part, so look for your packet in October.

NRA produces video on tips and taxes for employees

In an effort to ensure that your service employees comply with IRS tip reporting requirements, NRA, in cooperation with the IRS, has just completed production of the video *Tips & Taxes*. *Tips & Taxes* gives your tipped employees all the information they need on using IRS forms W4, 4070 and 8027. The tape will become available at the end of this month. The cost will be $95. To order, call the NRA publications department.

Look for NRA catalog in the mail

Later this month you will receive a copy of NRA's new catalog of publications. This year's catalog includes detailed information about *Tips & Taxes* as well as more than 100 other NRA publications and videos. Each NRA publication was designed to respond to the needs of foodservice operators like yourself. Be sure to take a close look at the catalog when you receive it in the mail.

Facelift makes *Restaurants USA* more readable

You have no doubt noted that with the name change of ***NRA NEWS*** to ***RESTAURANTS USA*** the interior design also received a facelift. The aim was to make the publication more readable. Rest assured, however, that these design changes will not affect the editorial content, which many of you have grown to depend upon for industry information.

During August, 130 foodservice operators and allied suppliers became members of NRA. We welcome you. Your participation in NRA will make your business grow and make your association function more effectively on your behalf.

G. Jim Hasslocher

G. "Jim" Hasslocher
President and Chairman of the Board

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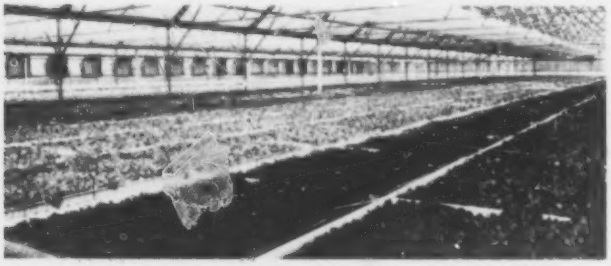
10 Small growers offer big opportunities
From the farm to your backdoor, small suppliers can provide some of the freshest "hot off the vine" produce.



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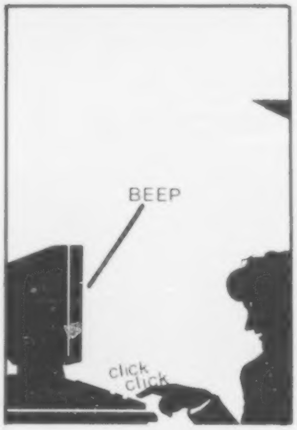
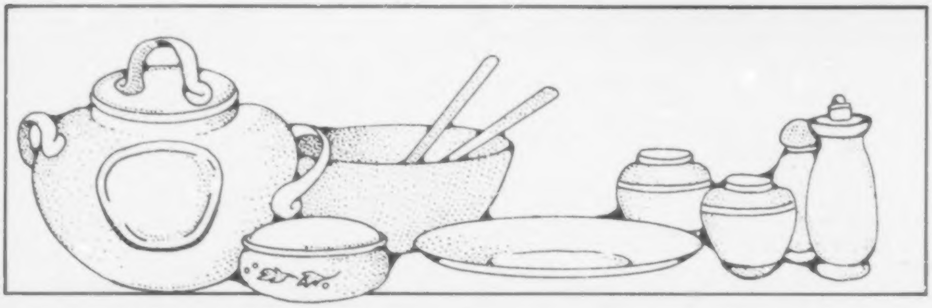
This is often the question caterers face when planning a large event. You may be surprised at the results of this simple cost comparison.





Cover photograph by Gary D. Landsman

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SHORTORDERS

New video on tip-reporting

Tax regulations can be confusing, and tip reporting requirements are no exception. If you have ever felt a little lost trying to explain tip-reporting rules to staff, help is on the way.

"Tips & Taxes," a new 10-minute videotape, visually explains general tip-reporting procedures and staff's responsibilities for accurate tip-reporting. Produced by NRA in cooperation with IRS, the videotape brings employee tip-reporting concerns to life by dramatizing a new waitress's first day on the job.

Along with the new employee, viewers learn about various IRS forms, including the W4, 4070, 4070A and 8027 as well as a daily tip-reporting form. Common questions such as, "How do managers know how much to withhold on tips?" and "What is tip allocation?" and "What happens if employees report more than eight percent of their sales?" are answered clearly and simply.

At the end of the tape, an IRS spokesperson discusses the penalties for inaccurate tip-reporting and provides an IRS toll free 800 number to answer any further questions.

To order "Tips & Taxes," Contact NRA, 311 First St., N.W., Washington, DC, 20001, or call (800) 424-5156 or (202) 638-6100. The videotape is $95 (plus shipping, handling and tax).

1986 operating ratio report now available

NRA's annual study *Restaurant Industry Operations Report '86* has just been published. It contains a wealth of operating data not available from any other published source.

Conducted jointly by the National Restaurant Association and the international accounting and consulting firm Laventhol & Horwath, NRA members supplied operating data and the analysis was performed by Laventhol & Horwath.

More than 800 restaurateurs participated in this study, and 633 completed surveys were used as the basis for this comprehensive report.

What's in the report

The report has been divided into two sections—one for restaurants serving food only and the other for restaurants serving both food and alcoholic beverages. It not only includes operating data for full and limited-menu restaurants, but results are also broken down by menu theme, including steak/seafood, American, continental, Italian, Mexican, sandwiches/hamburgers and chicken. Additional tables include operating results by location, sales volume and years in operation.

Information presented in the publication includes

☐ sources of income
☐ expenditures
☐ analysis of employee data—employees per seat, sales per employee, productivity
☐ earnings ratios
☐ restaurant location and
☐ seat turnover.

How to get your copy of the report

NRA members who completed the survey questionnaire in early 1986 will receive a complimentary copy of the comprehensive report. Others may order *Restaurant Industry Operations Report '86* at a cost of $20 (plus $2 shipping and handling) for NRA members and $40 (plus $4 shipping and handling) for non-members. DC residents add six percent sales tax. Illinois residents add seven percent sales tax. Chicago residents must add an additional one percent, making their total sales tax eight percent.

To order, contact NRA, 311 First St., N.W., Washington, D.C. 20001 or call (800) 424-5156. **Payment must accompany all orders.** Credit card telephone orders are accepted. Please specify number CS956 when placing your order.

Filming the new NRA tip-reporting videotape.

October 16 is World Food Day

NRA is a founding member of the National Committee for World Food Day, which will be observing the sixth annual World Food Day on October 16. World Food Day, observed globally by 140 nations, was established for two fundamental reasons: to deepen awareness of food security issues and to stimulate informed action against hunger. Organizations across the country observe World Food Day in a variety of ways, from small town food drives to lobbying government offices for increased attention to food issues.

Many of the nation's restaurants will be observing the day by donating a percentage of the receipts collected on October 16 to the cause. For information on how you can participate in World Food Day in your restaurant or for resource materials, contact: National Committee for World Food Day, 1001 22nd St. N.W., Washington, DC 20437; (202) 653-2404 or 2402.

Tax reform bill readied for final vote

House and Senate tax reform conferees finished work on an historic tax overhaul plan on Aug. 16, paving the way for a final up-or-down vote on the package by the House and Senate. The conference committee's work is expected to be adopted without a hitch by both chambers this month and then signed into law by the President.

The compromise bill, which in the final days was negotiated around the clock by House Ways & Means Committee Chairman Dan Rostenkowski (D-IL) and Senate Finance Committee Chairman Bob Packwood (R-OR), was one of the last hurdles in the tax reform process.

The bill contains the 80 percent limit on business meal and entertainment expenses that NRA and other hospitality groups have fought for nearly two years. The provision would place an 80 percent ceiling on the deduction for meals and entertainment, including meals eaten by a business traveler. The change would be effective Jan. 1, 1987.

The one exception to the 80 percent rule is a two-year exemption for banquets that meet certain conditions. A banquet meal would be 100 percent deductible if more than 50 percent of the participients in a banquet meeting are away from home, at least 40 persons attend the banquet and the meal is part of a program which includes a speaker.

The final tax package would leave intact the current law's substantiation requirements for business meal deductions. Additional penalties for fraud and negligence were dropped in the conference report. Also, a stricter test for proving business meals was not included in the final language.

TJTC extended

The bill also would retroactively extend the Targeted Jobs Tax Credit (TJTC) for three years—from Jan. 1, 1986 to Dec. 31, 1988. However, it is not clear at this point whether the extension would apply to all new hires since Jan. 1, 1986. It may only apply to those for whom an employer has already filed a certification request with a state employment office.

The first-year targeted jobs credit would be 40 percent rather than 50 percent of qualified wages, and the second-year credit would be eliminated entirely. Also, a credit would not be allowed unless an employee had worked a minimum of 120 hours or 90 days, whichever is less.

Tax cuts: bill's centerpiece

The centerpiece of the tax bill is the dramatic reduction in tax rates. The bill would reduce the current law's top individual rate of 50 percent to 28 percent. A second 15 percent rate would be created for lower and middle-income taxpayers, resulting in the current system's 15 tax rates being collapsed into just two.

The new individual tax rates would be phased in over the coming year and become fully effective on Jan. 1, 1988.

The maximum corporate tax rate would drop from 46 percent to 34 percent. The new rate would be effective July 1, 1987, and a blended top rate of 40 percent would apply for the first half of 1987. Lower corporate tax rates of 15 percent and 25 percent would apply to firms with income of less than $100,000.

Other key provisions in the tax bill:

☐ The effective individual capital gains rate would go to 28 percent

☐ the investment Tax Credit would be repealed retroactively to Jan. 1, 1986

☐ depreciation would be lengthened for most assets. For example, a car or light truck would be written off over five years instead of three and

☐ a 20 percent minimum tax would be established for corporations, with some relief for small businesses.

Rep. Archer discusses tax reform

When he spoke to NRA's First Thursday Breakfast Group in August, U.S. Rep. Bill Archer (R-TX), a member of the House-Senate conference committee on tax reform and the second ranking Republican on the House Ways and Means Committee, talked about tax issues facing Congress.

A conservative, pro-business veteran of Congress, Archer expressed misgivings about tax reform's ultimate effect on the economy. "I've talked to quite a few economists, and none of them thinks these bills will result in any long-term growth," he said.

In fact, according to Archer, real growth in GNP will drop by one percent, and unemployment will increase by as much as two percent during the first two years of tax reform. Archer also lamented that the tax code would actually be more complicated as a result of tax reform legislation and that tax fairness has been wrongly equated with lower taxes.

Rep. Bill Archer

Two from foodservice run for Congress

Two representatives of the foodservice industry—a restaurateur and a state restaurant association executive—hope to come to Washington next year as newly elected members of Congress. Dale Bell of South Dakota and Van Heffner of Nevada are each running on the Republican ticket for the U.S. House of Representatives.

Dale Bell, owner-operator of Bell Steakhouse, is running for the open, at-large seat in South Dakota. Van Heffner, executive vice president of the Nevada Restaurant Association and the Nevada Hotel & Motel Association, is campaigning in Nevada's first congressional district (the southern portion of the state, including Las Vegas).

Bell blasts government inefficiency

Bell is no stranger to politics. He was an early supporter of Ronald Reagan in 1976 and managed the Dallas–Fort Worth campaign. He served as director of special programs in the 1980 Reagan-Bush campaign, and following Reagan's election, served as director of public affairs for the Denver regional office of the Department of Health and Human Services.

Bell was nationally recognized for his work to provide private-sector food and shelter for the hungry and homeless in the Denver area. It was his experience with the federal bureaucracy in that job that prompted him to think about running for Congress.

"Twenty-one people had frozen to death, and I couldn't get the General Services Administration (GSA) to let me use a vacant federal building as a shelter. That really made me mad.

"I was very upset and angry by what I saw—gross inefficiency, wastefulness and a lack of compassion for others," he said. "There was much more waste than I could tolerate in my business."

So Bell turned to the private sector for assistance.

Dale Bell

The result: five nonprofit shelters were opened to accommodate the homeless.

"We just need more common sense in government—the kind of skills and expertise that business people have," says Bell. "Too many people in the federal government don't know how to manage people or resources effectively."

Bell believes more business people should get involved in politics. "I know it's a real sacrifice for a business person to run for Congress," he says. "It's difficult to be away from your business and it's difficult to finance a race, but we need to make that sacrifice. If we don't get involved, things are just going to get worse."

With a 96 percent name recognition, Bell is doing well in his race for the seat now occupied by U.S. Rep. Tom Daschle (D). Daschle is resigning to run for the U.S. Senate. Bell secured the Republican nomination earlier this year after beating three other Republicans, and a recent Tarrance poll shows him leading his Democratic opponent.

Bell is cautiously optimistic about his chances but adds that it is hard to predict the outcome because there is a lot of volatility in the farm belt this year.

If Bell gets to Washington, he expects to be a strong ally of the business community. "I guess you could say I'm a free-market advocate," he says. "I take a very dim view of government intervention."

Van Heffner prepares for primary

Like other Rocky Mountain states, Nevada is experiencing a growth explosion. Since 1980, the state's population has increased by about 200,000, with another 20,000 to 35,000 people moving into the state each year.

According to Heffner, the state's rapid growth demands a transition to a more diversified economy, and "the hospitality industry will be under special pressure to re-

Senate bill could reduce insurance burden

The Senate approved a "risk retention" liability bill in July, voting 96–1 to make it easier for businesses, municipalities and professional groups to band together to insure themselves. The bill would allow interstate formation of risk retention groups to self-insure or purchasing groups to cooperatively purchase liability insurance from commercial carriers.

NRA has supported the measure as a step toward alleviating the current liability crisis, although it recognizes that the bill is by no means a cure.

The bill amends a 1981 law that applied only to product liability. Sen. Bob Kasten (R-WI), the bill's chief sponsor, said the changes would "make it easier for others to form collective purchasing groups and risk retention groups for general liability insurance, without imposing on them conflicting requirements in each state in which they operate."

The Senate bill is now pending before the House Energy and Commerce Committee.

spond to this demand." (Over one-third of Nevada's workforce is employed by the tourism industry.) Heffner said he feels especially qualified to represent Nevada's concerns in Congress because involvement in the hospitality industry has been a way of life for him since 1966.

For the last seven years, Heffner has served as executive vice president of the Nevada Restaurant Association and the Nevada Hotel & Motel Association, lobbying and developing programs on alcohol service, labor law, tip reporting and marketing.

Van Heffner

These experiences shape the perspective he would bring to Congress. He listed the liability crisis as a main concern. Having seen the "dram shop" problem up close, Heffner said he knows that all parts of society will ultimately be affected by pass-through costs.

Since February 3, when Heffner announced his candidacy for the congressional seat being vacated by U.S. Rep. Harry Reid (who is running for the U.S. Senate), Heffner has been working from 5 a.m. to midnight. Heffner says the campaign has been "a very moving and humbling experience," because it has brought him into contact with "hundreds of bright, capable, knowledgeable Americans."

As ***Restaurants USA*** went to press, Heffner was gearing up for the tough September 2 primary to become the Republican party's nominee.

Pending bill could raise health care costs

Three bills now being considered by House and Senate committees (H.R. 4742, S. 2402 and S. 2403) would require that employers continue to pay health-care premiums for former employees, even if those employees had voluntarily left their jobs. These bills amend certain provisions of the Consolidated Omnibus Reconciliation Act (COBRA) of 1985 which went into effect July 1, 1986.

Under COBRA, former employees are allowed to continue to participate in company health plans for up to 18 months after leaving employment. Participation, however, would be at the employee's expense. Qualified beneficiaries not covered under another plan also must be allowed to participate in health plans at their own expense for three years from the date of a covered employee's death, divorce or legal separation.

NRA and others in the business community opposes legislation which dictates the terms by which an employer provides employee benefits. In the long run, NRA believes, such legislation would mean higher costs in the form of higher copayments, higher deductibles and reduced benefits.

NRA is just as concerned about the provision in H.R. 4742 that would provide health-care coverage for the medically uninsurable population by asking employers to make up any financial shortfalls in the state fund.

NRA believes such a plan would unfairly place the burden of insuring high-risk individuals on employers.

The House bill was introduced by Rep. Pete Stark (D-CA) and Willis Gradison (R-OH). These two Senate bills were authored by Sens. Edward Kennedy (D-MA) and David Durenberger (R-MN).

Immigration bill moves to House floor

The immigration bill approved by a divided House Judiciary Committee on June 25 and given a stamp of approval by seven other committees in early August, is expected to reach the House floor for consideration this fall.

If the controversial bill (H.R. 3810) is approved, it would then move on to a House-Senate conference committee, so that differences between it and the immigration bill passed by the Senate last September (S. 1200) could be reconciled.

Both the House and Senate bills grant legal residency status to millions of aliens already living in the U.S. The Senate bill would "legalize" those aliens who had been in the U.S. since January 1, 1980; the House committee's bill requires residency since January 1, 1982.

Both bills also penalize employers who knowingly hire illegal aliens. The House bill establishes a three-tiered system of civil penalties for illegal hiring and requires employers to keep records showing that they had verified an employee's legal status. In the Senate bill, records may be used to document an employer's "good faith" hiring efforts, but they would not be mandatory.

The most controversial provision of H.R. 3810 deals with foreign agricultural workers. Growers, who have traditionally relied on immigrants to harvest crops, have insisted that any immigration bill contain some built-in guarantee of an adequate labor supply.

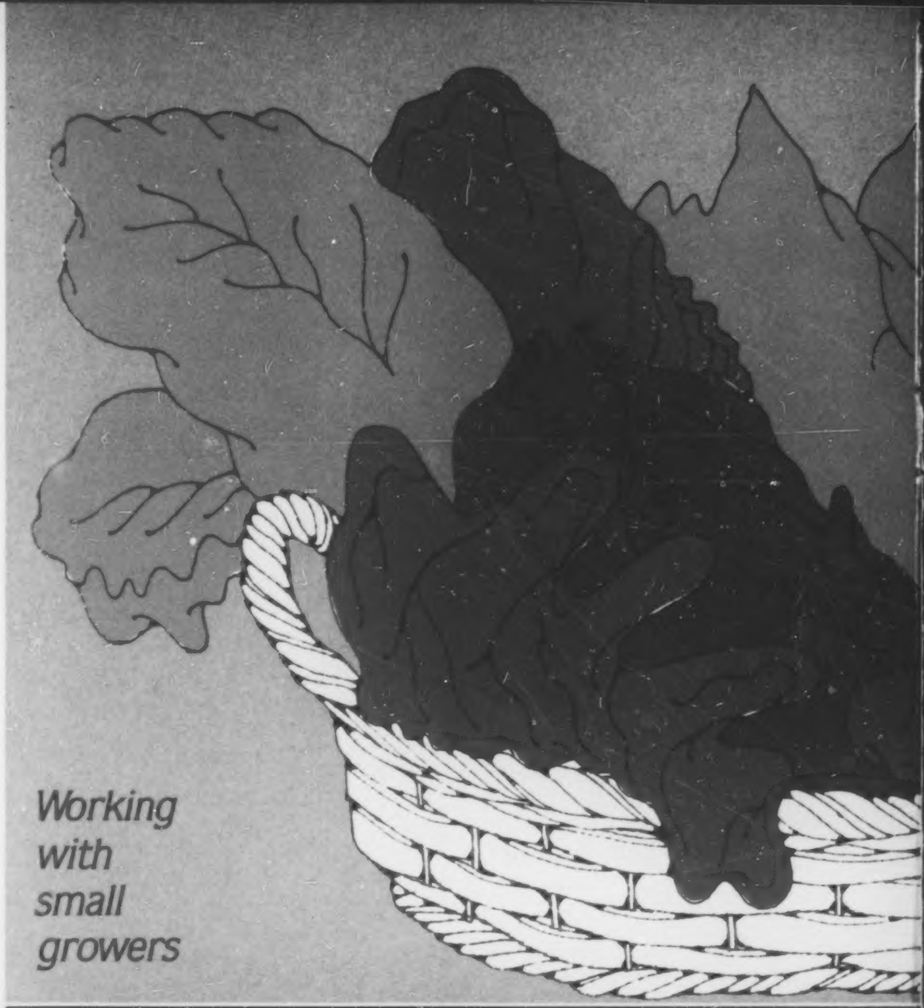
The Senate bill's solution was to establish a "guest worker" program to permit a large number of aliens temporary entry into the country.

Many in the House, however, were concerned that aliens in a guest worker program could be exploited too easily by employers.

So, the controversial House committee compromise grants "green card" (legal residency) status to foreign farm workers who had worked 60 days in American agriculture between May 1985 and May 1986. Beginning in 1989, the compromise would allow a new group of workers into the country as legal residents to replace those who had left agricultural work. These "replenishment" workers would be required to work a certain number of days in agriculture during their first two years in the U.S.

Critics say the House bill grants residency too easily and saddles the U.S. with an extra welfare burden. The farm worker provision is expected to prove highly divisive on the House floor.

—Jay Morris
—Denise Roach



From the farm to

Working with small growers

by Anne Papa

The back door at the Inn at Little Washington (Washington, VA; 60 seats) is a busy place. At least once and usually several times a day, vendors from the surrounding town drop by the restaurant, bringing their goods to chef-owner Patrick O'Connell for his consideration. Fresh herbs; home-grown lettuces; exotic shiitake, oyster and chanterelle mushrooms; dried tomatoes, apples and apricots; and nasturtium and other edible flowers are just some of the produce that may pass through the inn's back door on any given day.

For many of these small growers, the back-door business with O'Connell represents their livelihood. But the same is true in reverse: Without a steady supply of fresh produce, the Inn at Little Washington may never have built the national reputation for fresh, innovative cuisine it enjoys today.

The advantages of working with small growers

The number of purveyors who show up at Patrick O'Connell's back door and at the back doors of the nation's most eclectic restaurants is an indication that America's cottage industry is thriving. Although in the strictest sense the term "cottage industry" implies working inside the home, it also has come to include small farmers who grow produce in their yards or on a few acres or even those who raise specialty livestock.

Quality—key advantage

For restaurateurs, purchasing goods and produce from these small independent growers offers many advantages. Chief among them is quality. Michael Tuma, chef-owner of Justine, an 80-seat upscale restaurant in Midland, MI, purchases many specialty items from small growers and producers: wild raspberries, fiddlehead ferns, miniature vegetables, French green beans, radicchio, leeks and herbs of all kinds. "These people care about their products," he attests, "and it shows in the quality. You know you're not getting something off an assembly line."

Dean Mellor, innovative chef at Los Angeles' Trumps restaurant (70 seats), agrees that quality is the prime consideration when purchasing goods and produce—whether from small independent growers or larger suppliers. However, small growers generally get Trumps' business, he says, because of the comparative freshness of their products. "When buying from a big producer or through a broker, I may get a product that was picked two weeks ago, shipped to a warehouse, sent down from up North and stored in a walk-in until I finally place my order," he explains. "But small independent growers eliminate those steps. For instance, the people I buy my lettuce from literally get up early every morning, pick the lettuce out of the earth and bring it down to the restaurant."

The availability and range of specialized, exotic items are other reasons many operators purchase goods from small growers. Andrew Wilson, purchasing director at the Cherokee Town and Country Club (Atlanta, GA; 125 seats), buys his staples and other frequently used items from large companies. But when he is looking for a rare, specialized product, he turns to independent suppliers. "There is a range of items available from smaller businesses that you won't get from the large companies," he says. Wild game, milk-fed veal and wild berries are items that Wilson purchases regularly from small growers.

Some restaurants, especially those featuring regional dishes, often build their menus around items grown by local producers. "When you have a specialized, regional menu like ours, you need specialized ingredients," says Bruce Frankel, owner of Panache, a 38-seat restaurant in Cambridge, MA, which features New England cuisine. "You are just not going to get items such as smoked Vermont ham, maple

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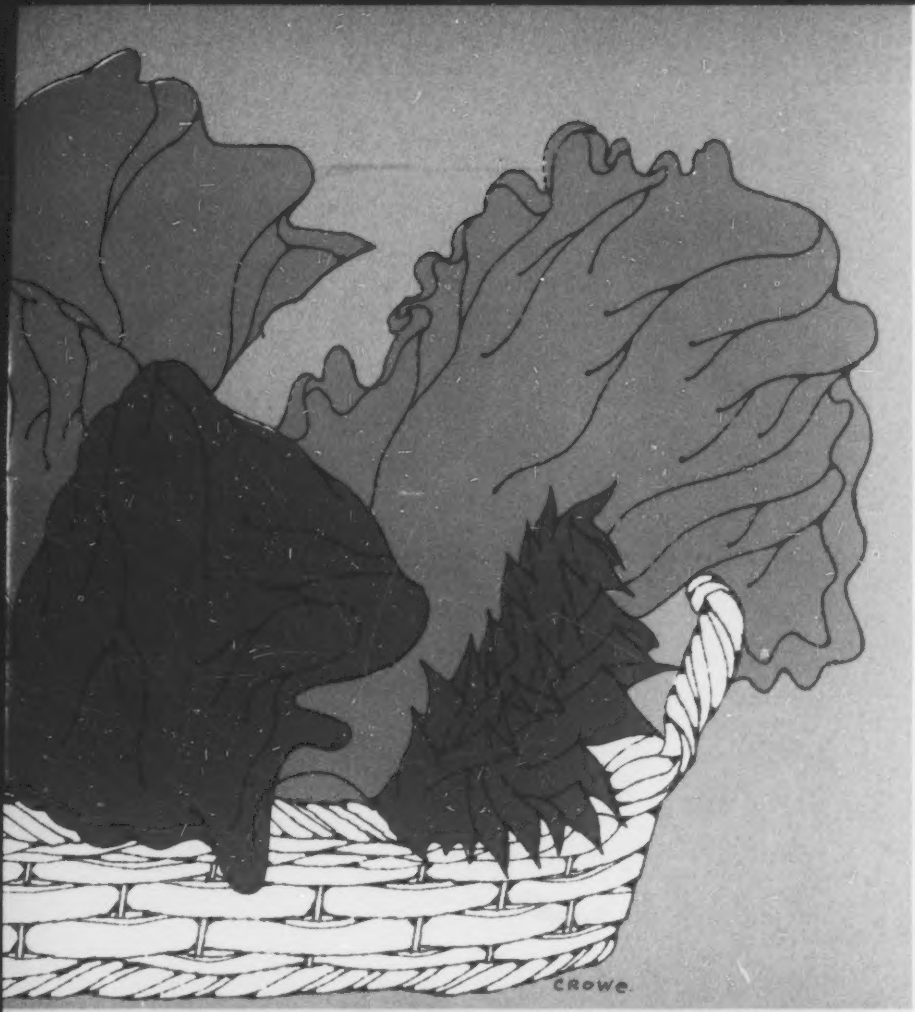
Anne Papa is a communications specialist for the National Restaurant Association.



your back door

leaves for salads and homemade apple cider from the big concerns."

Finally, many operators say that a big advantage of doing business with small growers is the sheer pleasure of working with them. "Some big companies act as though they don't need us," explains Michael Tuma of Justine. "But the little guys, they get to know you. They treat you with respect." Dean Mellor of Trumps agrees. "Small growers appreciate doing business with you because it helps them with future customers if they can say 'I supply to Trumps.' So they'll take extra considerations to maintain your business—to keep you happy," he says.

But there are disadvantages

Although most operators say the advantages of working with cottage producers far outweigh the disadvantages, they acknowledge that there are certain drawbacks, such as not being able to get the amount of a product when you need it.

For example, the lunch menu at Trumps changes daily, and chef Mellor must decide each morning what ingredients he will need, based on what he expects his suppliers can deliver. "Nine times out of 10, there is no problem," he reports. "But that tenth time, when I put baby arugula on the menu and find out my supplier doesn't have any that day, or can't make a delivery until 1:00 p.m. when lunch is halfway over, then I'm in trouble."

Mellor believes that part of this problem exists because many small growers do not take the actual delivery process into account when promising an item at a certain time. He recounts one instance when a farmer made arrangements to bring his produce to Trumps. "But his truck broke down a couple of times on the L.A. freeway, and that was the end of that," Mellor recalls. "A farmer can't assume he'll make it as a truck driver, just as a chef can't assume he'll make it as a farmer."

O'Connell of the Inn at Little Washington complains that dealing with independents is generally more time-consuming than working with big companies and sometimes less convenient. "Because growers may not have established a clear price for their goods, you waste a lot of time bartering," he says. "And sometimes they come to the back door at inopportune times, such as right in the middle of dinner service."

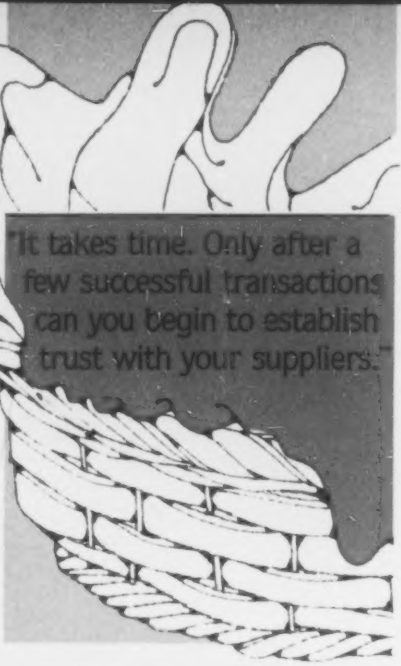
Finally, Barry Wine, owner of New York's celebrated Quilted Giraffe (60 seats), is irked by the tendency of small independents to request C.O.D. "I understand their need for cash flow, but, I figure, if someone is too unstable to extend credit, they must not have a quality product. I generally won't do business with them," he says.

Finding quality growers

How do operators go about locating these small growers and producers? Often the growers find the restaurateurs, not the other way around. "Because we are in a rural community, finding growers is the easy part," maintains O'Connell. "In fact, it is the growers who find us. They've heard of us, know our reputation and seek us out." O'Connell says he will first sample an item brought by a local grower; then, if he likes the product, he will place an order or ask to see what else the grower has in stock.

Even city restaurants can attract small-grower interest, says Barry Wine of the Quilted Giraffe, who finds suppliers knocking on his door in Manhattan. Wine relies heavily on recommendations from people whose opinions he respects. "A former chef of ours opened his own restaurant in Chicago and began raving to me about the American caviar he was purchasing from a woman in the Great Lakes area," Wine recalls. "So I tried it, liked it and am now receiving a steady supply. I often rely on word-of-mouth contacts to connect with independent suppliers." Wine also never hesitates to inquire about ingredients he tastes when dining in other New York restaurants. "I always keep my eyes open," he says.

Although small growers flock to re-



"It takes time. Only after a few successful transactions can you begin to establish trust with your suppliers."

nowned restaurants, restaurateurs that are just starting out may need to search in order to find the quality goods they desire. Ralph DiOrio and Denise Marie Fugo, co-owners of Sammy's (Cleveland, OH; 130 seats), opened their upscale restaurant six years ago with a commitment to innovative cuisine. "But no one had heard of us," recalls DiOrio, "and many of the exotic ingredients we were looking for were unheard of in Cleveland." So the husband-and-wife team began frequenting local farmers' markets, letting the farmers know that a new market was opening up for specialty fruits and vegetables. "It took some convincing," acknowledges DiOrio, "but before long we were able to get the produce we needed. And not long after that, farmers began approaching us with their products."

Bruce Frankel of Panache took a direct route when hunting for suppliers of regional New England cuisine. He contacted the state cooperative extension program. "They gave me a complete listing of produce and livestock growers and cheesemakers in Massachusetts," he reports. According to Ricardo Gomez of the United States Department of Agriculture (USDA) Cooperative Extension Program, this type of information is available through government offices in most states and/or counties.

Establishing a working relationship

Once an operator is satisfied with the quality of a purveyor's goods or produce, it falls to both parties to establish a solid working relationship. According to DiOrio and Fugo of Sammy's, the primary ingredient of that working relationship is trust.

"The farmers have to trust that you'll buy a product when it is grown, particularly if you requested it," explains Fugo. "And you have to trust that the farmers will deliver." Fugo says this mutual trust doesn't happen overnight. "It takes time. Only after a few successful transactions can you begin to establish trust," he says.

Fugo and DiOrio have proven so trustworthy that they have been able to commission two area farmers, one of whom farms within the Cleveland city limits, to grow produce exclusively for Sammy's. "It took two years to get to the point where they would devote their entire operations to our needs," says DiOrio. Currently, one farmer grows Sammy's specialty lettuces, peppers and herbs, while a second ("We wanted a back-up," explains DiOrio) grows baby vegetables and often-used produce, such as beans and spinach. All vegetables are grown to DiOrio and Fugo's specifications and are delivered daily to the restaurant.

DiOrio says Sammy's is able to maintain these working relationships for three major reasons: The restaurant uses enough produce regularly to sustain the farms; the farmers recognize the price value of concentrating on specialty items rather than ordinary produce; and if DiOrio and Fugo ask for a specific item to be planted, they honor their pledge to buy the item when it is picked. "The farmers know we'll be there for them," says Fugo. "It all comes back to trust."

O'Connell also commissions area farmers to grow to his specifications, although none grow exclusively for his restaurant. O'Connell says he approaches regular suppliers early in the spring with a list of produce he will need throughout the season. "I've occasionally brought back seeds from France and asked local farmers to grow them for me as well," he says.

Many operators, such as Andrew Wilson of Cherokee Town and Country Club, simply establish a standard order with small growers that fluctuates with the seasons. But even with a standard order, Wilson says he does not hesitate to reject any produce that is not up to par. "No matter how consistent the purchasing pattern is, it is not set in stone," he maintains. "If an item lacks quality, we simply won't buy it and will revise the menu that week."

As might be expected, most operators agree that small growers are generally more expensive than large companies. "After all," observes Bruce Frankel of Panache, "you get what you pay for." It is a good idea to establish prices up front, taking into consideration the operator's liability for produce that is rejected. This way, no after-the-fact squabbles over price will mar the working relationship.

Growing your own

Finally, some operators are "cottage industrialists" themselves—that is, they grow some of their own specialty produce, either at the restaurant or on nearby land.

"It's cost efficient to grow your own," says Michael Tuma of Justine, who tends a small herb garden on the restaurant's property. "However," he adds, "it's a good idea to keep in touch with your regular supplier, particularly if you are new to gardening." Andrew Wilson of Cherokee Town and Country Club, who is considering planting an herb garden this year, agrees, "If we plant the garden, we will start small and will continue to supplement our herb stock from local growers. We don't want to limit ourselves."

At the Quilted Giraffe much of the produce comes from a small vegetable, herb and flower farm owned by Barry Wine and other investors up the Hudson River in New Paltz, NY. The farm has a greenhouse for off-season growing. "We deliver to ourselves twice a week," reports Wine. He says that although most of the items grown on the farm are available from purveyors, growing produce for the restaurant insures that quantity and quality will be directly in line with the Quilted Giraffe's needs. "This way we know items are being grown to our specifications," he avows.

And at the Inn at Little Washington, O'Connell says the restaurant keeps its own walled garden adjacent to the restaurant as well as numerous gardens in the town of Washington because "gardening is a way of life around here." In fact, many employees at the restaurant are gardeners themselves, frequently bringing in surplus produce for O'Connell to use. ☐

12 WAYS TO WIN WITH PURCHASING

by Kathy Boyle

For a restaurateur, one of the most embarrassing situations is having to tell a customer you are out of his or her favorite entree. To avoid such an unwanted, awkward moment and the possible reverberations it can have on business, it is worth developing winning tactics when dealing with suppliers to guarantee you don't run out of food.

1. Set specifications

To assure quality and consistency, there should be a specification sheet for every product. By developing speci fications, you determine the quality you want and the best price for that quality. According to Matt Spielman, executive general manager of foodservice for the seven-unit The American Cafe operation (average 150 seats) in Washington, DC, "Hunt's 40-percent-weight tomatoes are not the same as its 30-percent variety. A supplier who offers you the 30-percent version at a better price is not talking about the same product. You have to compare apples to apples."

> "You have to check the yield, drained weight and gravity rays of products."

One reference book used by many operators to set exacting specifications is *SPECS: The Comprehensive Foodservice Purchasing and Specifications Manual* by Raymond B. Peddersen, published by Cahners Books International, Inc. in 1977. It refers to government standards and controls for meats, eggs, dairy products, fish and shellfish, convenience foods, fruits, vegetables, juices, jams and jellies as well as other miscellaneous items.

2. *Set par levels*

Par levels are the quantity you need on hand for each product. Most restaurateurs don't want to have too much of an item on hand because they don't want to tie up valuable capital or risk the merchandise going bad. On the other hand, it is worse to have too little and run out of an item. To purchase smart, you must know how much you need and when.

Many operators maintain that there is no substitute for a physical count to assure that items on hand are maintained at par levels. Others recommend a daily item count on high volume, high cost items and a full inventory monthly.

3. *Divide the business*

In general, it is best to divide purchases of each item or category of items among two or more suppliers. "There are times one supplier doesn't carry the size or kind of an item I want," explans Ann Swanson, co-owner of the Outrider Cafe, in Laramie, WY, a 238-seat truckstop operation. Spielman of The American Cafe agrees, "I may buy from two tarragon farmers even though one could supply enough because there will be times when one farmer's supply dries up."

One buying practice is to give 75 percent of the purchases for each product to one supplier and 25 percent to another. The split should provide consistent, good service from the main supplier and keep the other supplier interested. "Buying from one principal supplier does offer the most leverage. If you have any problems, it gets you action and service, " says Chuck Boogay, assistant purchasing agent for The Lodge at Pebble Beach, Pebble Beach, CA.

4. *Avoid rigid delivery service*

For most restaurateurs, service from a supplier is as important as price, and a major part of that service is delivery. In general, restaurateurs believe they should be able to dictate the delivery day and time. Alan Newland, operations manager for purchasing and equipment for Las Casuelas Terraza, a 250-seat, Sonoran-style restaurant in Palm Springs, CA, expresses the typical restaurant's needs: "We have to have deliveries before 11 a.m., because once we are open, we cannot put items away."

Some larger restaurant companies are opting to pick up the merchandise themselves so they can control the delivery time. That is why it is becoming more common to ask for separate quotes for the item and the delivery.

Delivery slipups can be costly for restaurants, and some operators are taking precautions. "I like to have two deliveries a week from a company," says Chuck Boogay, who restocks heavily on Tuesday and then asks for a small restock on Friday. "This way, if I am shorted on an item, they can usually bring it down with them on the next delivery," he says. The one exception is items that are needed immediately; those must be delivered as soon as the mixup is noted.

Also important to restaurateurs is quick notification that the supplier is out of an item. "If the supplier doesn't have it, I want ample warning so I can get it somewhere else," says Newland of Las Casuelas Terraza.

5. *Consider buying direct from the manufacturer or grower*

Even small operations might be able to take advantage of direct purchasing from the manufacturer if they have adequate storage space and the extra capital to tie up in inventory. John Grisanti, owner of the two John Grisanti Restaurants (average 200 seats, Memphis, TN), has been buying his pasta direct from a California manufacturer for 10 to 12 years as well as other items, including bread sticks, rum cakes and canned tomatoes. "It started with my buying oysters," Grisanti recalls. "I learned I could open a distributing account and buy direct if I could make a truckload purchase." (For tomatoes, that translates into 500 to 600 cases.)

The extra volume does require some additional legwork, however. One of the ways Grisanti keeps up the necessary volume to purchase direct is by reselling the pasta he purchases to sev-

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Kathy Boyle is a free-lance writer in the Washington, DC, area who frequently contributes to ***Restaurants USA.*** *Her most recent article was on scouting for employees.*

eral other smaller restaurants in Memphis. For tomato purchases, he also watches agricultural conditions carefully, subscribing to newsletters and staying in touch with the broker.

6. Stock up on good buys

For the owner who can't afford to buy direct from the manufacturer to get the best price, the next best alternative is to stock up on items that are used in quantity. Ann Swanson of the Outrider Cafe purchased two large freezers to handle extra storage of meat. "If meat is doing well, then I stock up. I buy two tons," she says. But, she adds, she buys only what she needs and ignores pressure from sales representatives to buy what is on sale.

7. Ask about consignment inventory

Another money-saving alternative for the restaurant that doesn't have enough capital or space to purchase direct from the manufacturer is to ask the supplier to purchase a large volume and to store it for you. "For example," says Spielman of The American Cafe, "I might be able to convince a supplier to buy 2,000 pounds of shrimp at a good price and to then sell it to me as needed."

If you think your supplier might be skeptical of the idea, Spielman enumerates some of the possible benefits to the supplier: a constant foot in the door and a guaranteed sale of the product. In addition, the supplier gets the product at a more favorable price since the larger quantity reduces the purchase price as well as delivery charges for several smaller shipments. Finally, the supplier has an emergency supply of the product on hand for other buyers.

8. Negotiate a long-term price

Sometimes it is possible to negotiate a long-term contract price if volume is adequate. For example, operators report success with buying meat at a fixed price. During the year they pay market price, but at the end of the year the supplier gives them a rebate if the prices paid exceed the agreed-upon carcass price.

9. Consider buying supplier labels

Sometimes suppliers package products that are identical copies of name-brand merchandise. "The first step is to listen carefully to what your sales representatives have to say," says Swanson. Then compare the product yourself to make sure you are getting the same quality. "You have to check the yield, drained weight and gravity flows of products," adds Newland of Las Casuelas Terraza. "It takes plenty of samples. And be sure to test against another product at the same time, on the same day to have a fair comparison between products."

10. Build a team relationship

More and more smart purchasers are realizing the supplier/purchaser relationship is not an adversarial one. In return for accurate, timely shipments, good service and fair prices, restaurants owe the suppliers:

☐ *payment on time.*

☐ *orders in a timely, consistent, agreed-upon manner.* Develop a system for ordering with suppliers. If they are out of an item, what are they supposed to do? Should they substitute or not substitute? If they do not substitute, should they call you? What happens if they cannot reach you? Usually some discussion and planning with the salesman ahead of time can avoid costly errors.

☐ *trained, designated, available receiving personnel.* The driver should not have to wait around unnecessarily, thereby delaying other deliveries.

11. Solicit ideas from vendors

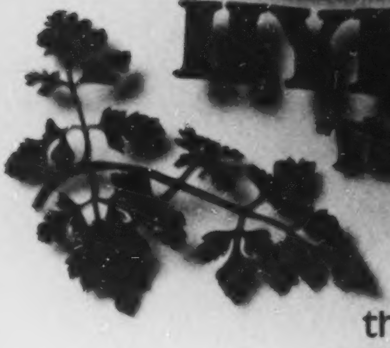
Recognize that your distributor knows service and marketing information as well as products. The supplier may offer some training, regular product testings, organized tastings or free materials to keep you up-to-date on trends or new technology. "We ask vendors to give us ideas," says Spielman of The American Cafe. "If a supplier asks us why we are using whole milk—rather than low-fat mozzarella—and no one can come up with a reason, then it is time to reevaluate the product we need."

By keeping the lines of communication open, you might also learn to time purchases better: A supplier may tell you that if you buy strawberries on Saturday, you will beat the price rise on Tuesday.

12. Reconsider the supplier's eligibility annually

It is important to review prices annually. Spielman of The American Cafe believes this is a must. "Most restaurants go through the price-shopping routine when first setting up business, and then they get comfortable." Even though the supplier is honest and you have established a relationship, you must still review his prices to make sure he is competitive and evaluate the quality of the items and the promptness of delivery. The American Cafe has a rating program for vendors, which is no secret. All vendors learn about it when they get a contract. "On a routine basis, we rate on best price, prompt delivery and quality. If the vendors know they are being rated in all three areas, they are more likely to pay attention," maintains Spielman.

More and more smart purchasers are realizing the supplier/purchaser relationship is not an adversarial one.



HYDROPONICS

The Wave of the Future?

by Kathy Boyle

Hydroponics may one day satisfy the industry's year-round demand for quality lettuces, cucumbers, tomatoes, herbs and, eventually, exotic vegetables.

"Almost anything that can be grown, can be grown hydroponically," claims Connie Crabtree, marketer for Hearn and Kirkwood, a wholesale produce supplier in Hanover, MD.

Most consumers were first introduced to hydroponics with the hydroponically grown Boston Bibb lettuce marketed in supermarkets. Today, they can find that lettuce and other water-grown products in restaurants as well.

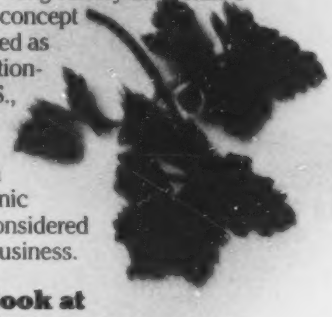
What is hydroponics?

Quite simply, hydroponics is the growing of herbs, fruits and vegetables in a nutrient-enriched water solution. Soilless culture, as hydroponics is also known, is being adopted by commercial and amateur growers as an inexpensive and clean means of producing high yield and quality crops. (Chemical analysis has proven that hydroponically grown plants are nutritionally identical to soil-grown plants.)

This dramatically different method of growing vegetables and herbs year round, however, is not new. According to some, it dates back to the Hanging Gardens of Babylon. More recently, the Dutch, world leaders in the greenhouse industry, are credited with technically developing the concept. But it was not until the end of World War II that hydroponic growing took a great leap forward as the Israelis pushed to use hydroponics commercially. Today, almost 90 percent of Israel's growing is done hydroponically.

Visionaries see much of tomorrow's fresh vegetable supply growing in greenhouse complexes with computer-controlled hydroponic systems. Other agricultural experts envision hydroponics as a method for replacing fertile agricultural lands in the U.S. as they are depleted or absorbed by urban sprawl and as a way of giving American farmers new opportunities at a time when traditional farms are experiencing hard times. More modest futurists predict hydroponics as holding great promise for satisfying the restaurant industry's year-round demand for high-quality lettuces, cucumbers, tomatoes, herbs and, eventually, exotic produce and petite vegetables.

Despite its long history and relative success, the concept is still regarded as rather revolutionary in the U.S., where field growing is still the norm and hydroponic growing is considered a boutique business.



A closer look at the growing process

When plants are grown hydroponically, they are grown in a controlled water and mineral environment. By removing the soil, however, the grower does not remove the support system the soil

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Kathy Boyle is a free-lance writer in the Washington, DC, area who writes frequently on foodservice topics for ***Restaurants USA.***

provides—as a rooting medium and as a source of nutrients. Various mixes of vermiculite, gravel, peat, pine bark, plastic and a medium known as rock wool (a substance that provides a wick action, but does not interact with the chemicals that flow over the roots) may exist in a hydroponic greenhouse.

Hydroponic growing is done in a regular greenhouse setting, with any number of configurations of troughs and drip systems for sending water and nutrients to the plants. To take advantage of space in a greenhouse, some greenhouses employ intricate arrangements where the plants grow in a tiered fashion. Plants that need the most sunlight are placed near the top of the greenhouse. Those that need less are grown on lower tiers.

What are the advantages?

The advantages of soilless culture are numerous. There is no need for digging. Weeds are practically absent. Disease-free conditions are easy to maintain. Sterilizing is simple and rapid. Several expensive labor-intensive operations, such as hand feeding and watering can be eliminated. Planting time between crops is shortened. (According to Crabtree of Hearn and Kirkwood, herbs can be grown 30 percent faster than in field conditions.) There are virtually no pests, and elaborate composts are not required.

Most important, though, is the fact that many of the irregularities associated with Mother Nature—rain, sunshine and nutrient supply—are better controlled in a hydroponic setting. For example, there are no droughts or early frosts to contend with in a controlled environment. And some plants, such as tomatoes, can be planted closer together than they can be in soil, because there is no competition for available nutrients. In other plants still, the leaf area can be reduced without detriment to the quantity or quality of the fruit. In short, for most crops hydroponics allows for planting at greater density under one roof, thus dramatically increasing the crop yield.

For restaurants, in particular, hydroponically grown products are good news: They are of high quality and can be purchased year-round. The cleaner product also means less washing and preparation by restaurant employees.

What are the drawbacks?

Soilless culture has some disadvantages, of course. First, let us consider what hydroponics demands from growers. The initial cost of getting into the business can be quite expensive. The greenhouse itself can run anywhere from $15,000 on up, depending on the type of construction. But paying for the greenhouse is only the beginning. Heat, supplemental lighting, chemicals and an adequate water supply are expenses that start adding up quickly.

Potential problems with this growing method include clogging of feeding lines, leakage in the lines, pump failures, power outages and human error.

For example, hydroponics requires considerable attention to detail, especially when growing on a large scale. In soil, the margin for error when feeding is considerably less than when applying a nutrient solution to plants in hydroponically grown environments.

For the restaurateur, there are drawbacks as well. First, the cost is often higher than for soil-grown produce, although the cost for herbs can be less than for soil-grown varieties. More importantly, however, the supply is limited because there are not many hydroponic growers. Even after you have located a farm, unless its output is large, it may have trouble supplying quantities needed. "A single greenhouse operator is harvesting once a week, and restaurants need more than a once-a-week harvest," says Jerry D'Amore of Waterfield Farms. "They need three or four growers working together to supply them in order not to let them and their customers down."

Finally, because hydroponic growers are small growers, they find the restaurant industry's 60 to 90-day payment schedule very difficult to live with, especially when distributors and supermarkets usually pay their bills within 14 days.

Getting in touch with growers

Getting in contact with local hydroponic growers can be extremely difficult, despite the fact that most hydroponic growers welcome the opportunity to do business directly with restaurants. In fact, most are ardently trying to develop new clients, and some have even installed an 800 toll free phone number.

Because hydroponics is still a fledgling industry, there is no one source or directory that lists hydroponic growers. The closest "directory" is the ads in *The Packer,* the national weekly business newsletter for fruit and vegetable growers published by Vance Publishing Company. Single issues of the newspaper cost $1.00. Subscriptions are $37.50 per year. To order copies, contact *The Packer* at P.O. Box 2939, Shawnee Mission, KS 66201.

Another source of information about hydroponic growers is the local produce wholesalers, particularly those who carry a line of specialty produce.

Hydroponic growing within the restaurant

Some restaurants have installed their own hydroponic gardens. Using a

Beginning a list of hydroponic growers

Because there is so little information on hydroponic growers, here are a few leads based on interviews in the field.

- **Big firms.** There are a number of big firms getting into hydroponic operations. Archer, Daniels, Midland Company (ADM) in Decatur, IL; Weyerhaeuser in Tacoma, WA; Campbell in Camden, NJ and Louisiana Pacific in Portland, OR are considered the four corporate giants in the field. ADM, for example, is the largest hydroponic supplier of lettuce in the Midwest, harvesting 34,000 to 40,000 heads of lettuce each day in summer, and 25,000 a day in winter—astonishingly on only 10 acres of land!

In five years ADM has grown from one acre of greenhouses to 10 acres. Nine produce lettuce; the tenth grows seedless cucumbers and herbs. The product, shipped in one day to its final destinations, is available 52 weeks a year. The cost fluctuates with market prices.

- **Mid-sized greenhouse operators.** Some experienced hydroponic growers have found that working with a larger company can help build their own business. A good example is Waterfield Farms in Rapidan, VA. In addition to the 7½ acre operation owned by Weyerhauser, 28 other local hydroponic greenhouse operators, located throughout Virginia, work with Waterfield Farms to create a larger network.

Another medium-sized hydroponic grower is Indian River Greenhouse in Fort Pierce, FL. Indian River is a complex of 25 greenhouses linked together on 13 acres—7½ acres of European cucumbers and 5½ acres of tomatoes.

The naturally available heat and sunlight were key factors in Indian River's decision to grow tomatoes—its hydroponic tomatoes actually grow 25-feet tall and are hand-picked. The tomatoes are wrapped on a string which is raised and lowered to pick the fruit, but the same plant continually blossoms and keeps on producing tomatoes throughout the eight-month season.

- **Smaller independents.** There is room in the field for the smaller operator as well. Within the busy confines of New York City is Hydroponic Systems, Inc., a one year-old, fledgling business managed by Michel Avital. Hydroponic Systems is a single greenhouse operation in the Astoria section of Queens (NY). Hydroponic Systems is successfully growing basil and other popular herbs, such as French tarragon, mint and oregano as well as some tomatoes in winter.

In Millersville, MD, Chesapeake Hydroponics, another single greenhouse operation, grows watercress and mint. Owner Alan Philip sells his product to several Washington area supermarkets and to distributors Hearn and Kirkwood who then resell it to restaurant customers. Philip is enthusiastic about hydroponics and believes it is "the true answer to urban agriculture."

system built by Hydroponic Systems in Canada, William Deweese, sommelier at the Waldorf-Astoria Hotel in New York, NY, has been growing fresh herbs in a 14 by 28-foot basement room of the hotel for nearly three years. With the help of published literature and the advice of the Brooklyn Botanical Garden and its engineers, Deweese has made a continuing success of his miniature hydroponic garden. Today, Deweese uses three complete systems, which include twelve, 24 by 16-inch growing tubs. "Basically, the system uses an aquarium-type fish pump and fluorescent lights with tubs stacked vertically," explains Deweese. The hotel's chefs consult Deweese when they plan menus to make best use of available herbs. Currently Deweese grows fresh dill, tarragon, rosemary, marjoram, basil, sage, chervil, savory, thyme and oregano.

"The initial expense for the project is great, and you really have to like gardening," explains Deweese, "but in the winter—when I can harvest a bushel of basil a week and it sells for $4.00 a bunch, and the hotel uses 25 bunches—it does seem cost-effective." Deweese maintains that care of the system only takes a few hours a week to check and maintain nutrient levels in the reservoirs.

Fresh basil was also the impetus for JP's Eating Place in Chicago, IL (100 seats), to purchase a small hydroponic system developed by Hydroponic Technologies in Chicago. Called "Green Acre," the unit is only two-feet wide, five-feet long and six-feet high, but it can grow as many as 540 plants on a continuing basis. According to Michael Cohen, general manager for JP's, the restaurant grows almost two pounds of basil each week for its pesto, its cioppino and occasionally for a basil butter for its fish dishes. "This has meant a considerable savings," attests Cohen.

James Gibson, president of Hydroponic Technologies, estimates that a restaurant using 200 ounces of basil a month can recover its initial investment of $1,650 for the grower within 10 months.

Cohen agrees that the machine, which is in the restaurant's basement, takes very little work. "All I have to do is read the meter occasionally to know when to add nutrients. The whole process probably only takes 10 to 15 minutes.

"Occasionally, every four or five months, I have to replant because the basil plants get too woody and tall and don't produce as many leaves. So I start new seedlings on one shelf and harvest from two shelves," says Cohen."

There also are restaurateurs who buy a greenhouse system as an investment and tax write-off. One such operator is John Grisanti, president and owner of two John Grisanti Restaurants in Memphis, TN (300 seats in one restaurant, 185 seats in the other). Grisanti began hydroponic production eight months ago. First, he joined the 5,000-acre hydroponic Agricenter owned by Shelby County, renting space for about $20 a year. Then he invested $68,000 in a franchise greenhouse system to grow Boston bibb lettuce.

This system, called AquaGuard, was developed by International Marketing Associates in Memphis. Not only does it include a kit for a 60 by 96-foot greenhouse and all necessary growing equipment, but it also provides for four days of training, on-site help during the first critical phases of transplanting and harvesting and marketing pointers.

To finance the project, Grisanti borrowed $60,000 from a leasing company. Each month he pays $1,510 on his 10-year note, and pays a $414.70 maintenance fee to the greenhouse. But he is in the black because he rents the greenhouse to a grower for $2,440 per month, for a net profit each month of $406.04. But more importantly," notes Grisanti, "my accountant tells me I can write off approximately $6,000 a year because I have invested in an agricultural enterprise.

"As an investor in the project, I was not required to buy the lettuce, but I do regularly, and I am very pleased with the quality," Grisanti reports.

In sum

Although only a small percentage of today's produce is grown hydroponically, hydroponics is expected to gain in importance in the decade ahead as demand for year-round, high-quality produce increases. ☐

SEAFO

IN THE AMERICAN RESTAURANT

A Critic's Point Of View

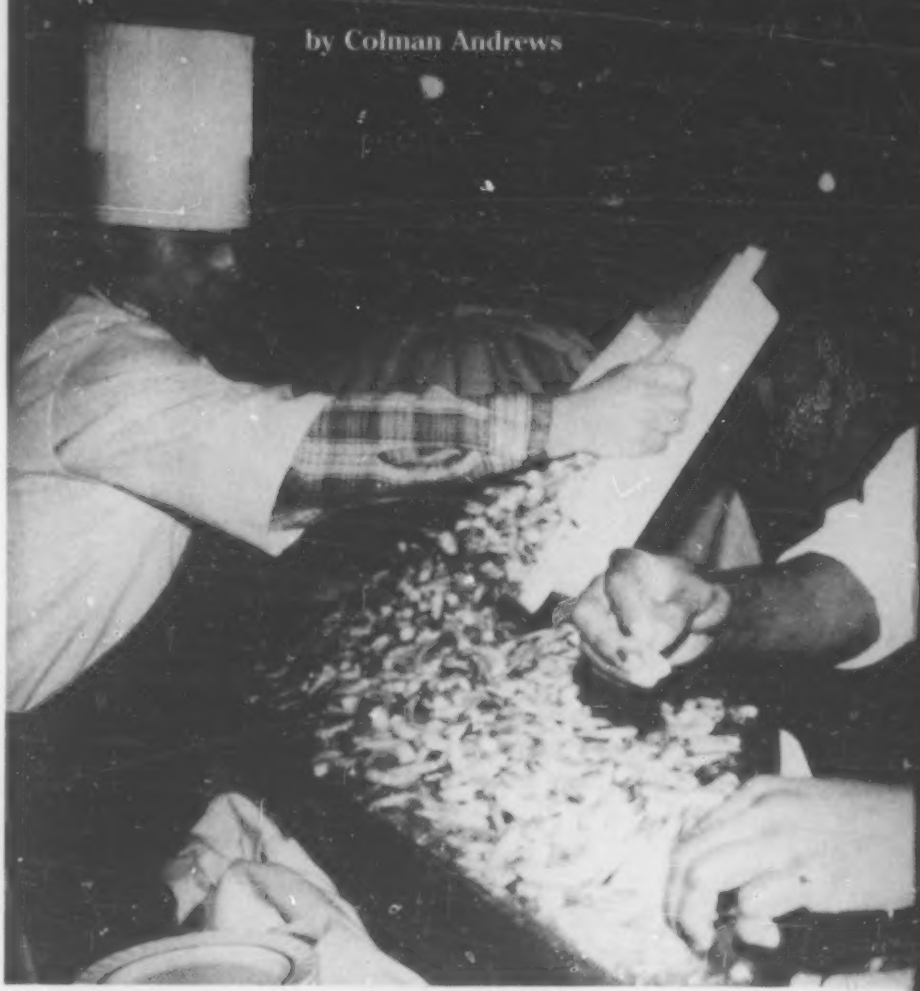
by Colman Andrews

I don't know much about the seafood industry, but I think I do know a thing or two about restaurants and about why people eat what they eat when they visit them. And from that point of view, I think I know why the delectable creatures of the rivers, lakes and seas have lately become so very popular with this country's *Yaddie* (Typical Young American Diner) population. Concern for health and for lightness in things we eat (as in the things we drink) is doubtless part of the story.

But I think two other factors are even more important: The first is the dramatic increase in the variety of fish and shellfish available in America today. (Menus which used to list only sole, swordfish and salmon now commonly have fresh sheets with dozens of entrees.) This variety has, I'm convinced, stimulated both customers' appetites and chefs' imaginations.

And that ties in neatly with my second factor: I think people are eating more fish and shellfish today because people who cook it—or who tell us how to cook it—are constantly getting better and more imaginative.

The quality of seafood sold today might or might no be higher overall than it was 10 years ago—as I said, I don't know much about the industry—but the quality of seafood preparation has, in my opinion, improved wonderfully.



A huge shrimp boat was just one of many seafood dishes served at a seafood gala for more than 1,000 guests at the Buena Vista Palace in Orlando, FL.

Anything goes

I spoke to a handful of America's top young chefs and restaurateurs recently to find out how they were using fish and shellfish these days—how they were helping *Yaddies* enjoy these lovely pleasures. Three things became immediately apparent from my conversations with them: First, the philosophy of supply varies greatly among these masters of contemporary cuisine. Second, rightly or wrongly, they steer clear of frozen fish or shellfish in any form—and they pay very close attention to the freshness of what they buy. And third, the old rules have long since been forgotten when it comes to recipes for cooking seafood. The old bets are off. Anything goes—as long as it tastes good, of course.

Consider some of the items being served at Jams in New York City, NY, for instance. Chef and co-owner Jonathan Waxman—formerly of Berkeley's seminal Chez Panisse and Santa Monica, CA's, highly rated Michael's—rewrites his menu every week or two and features numerous daily specials. When I spoke to him he was presenting, among other things, little skewers of grilled shrimp with sliced new potatoes and melted *bufala* mozzarella and a roasted pepper *concasse;* a brochette of Maine scallops on a bed of *haricots verts* and julienned Roman mushrooms; shad roe with deep-fried capers and parsley; a grilled gravlax salad with cucumbers, orange and grapefruit segments and basil; crabmeat cakes on a bed of raw mustard greens with red and green peppers; and—one of

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OOD

Seafood Leader

Waxman's own favorites at the moment—an arrangement of Maine lobster, poached and then briefly grilled with butter, with fava beans, broccoli flowerets and zucchini blossoms.

Use of domestic supplies grows

When Waxman started cooking at Michael's in 1979, he remembers, "We bought all our fish from France; so did every other good French restaurant in town. Then, from about 1980 to 1983, everything came from New York and then, at the end, from New Zealand. After that, all of a sudden people started discovering that California had fish, too. And albacore, various kinds of local rockfish and so on started showing up."

Today, in New York, Waxman prefers to use East Coast seafood almost exclusively. "We buy a lot from a woman named Ingrid Bengis in Deer Isle, Maine," he says. "She has very good scallops with roe, and we get incredible lobsters from her, about 24 hours out of the water. The flavor is just crazy! You pop 'em out of their shells, and it's just like being on the beach." Bengis also supplies top-quality mussels to Jams, Waxman adds. "She hangs them off her boat in the harbor in burlap bags for a few days," he says, "so they disgorge all their sand."

Jams also uses European flat oysters from another Maine-based purveyor and soft-shell crabs from Maryland. "For a while," says Waxman, "I kept Dover sole from the English Channel on the menu. But now I'm finding that my customers really want seafood from around here. About the farthest they'll go is red snapper from South Carolina and tuna or pompano from Florida. Other than that, they really prefer the local stuff."

Traditional restaurants also benefit

Marcel Desaulniers, executive chef at the popular Trellis restaurant in Williamsburg, VA, can't be quite as adventuresome as Waxman in his recipes. "We have a lot of tourists here, and people with traditional tastes," he explains, "so we can't be too far out. We do try to do interesting things with our garnishes, though." That translates to seasonal dishes like soft-shell crabs on a bed of fiddlehead ferns with toasted almonds and brown butter; or grilled and marinated soft-shells with a julienne of sweet peppers, zucchini and leeks; sauteed crabmeat with a chiffonade of spinach and strands of zucchini cut on a mandoline to resemble pasta; shad roe stuffed with crabmeat and seasoned with a dice of thick-cut, hickory-smoked bacon; grilled flounder ("Flounder is very big in this area"); Florida grouper with grilled tomatoes and a julienne of country ham and fresh tarragon; and Northwest pan-size coho salmon with sauteed scallions and fresh wild mushrooms.

> I think people are eating more fish and shellfish today because people who cook it—or who tell us how to cook it—are constantly getting better and more imaginative.

Desaulniers likes to buy from local purveyors whenever possible, though he also deals with New York suppliers from time to time. "There's a big Virginia scallop industry, for instance," he says. "That means I can not only get a lot of good, very fresh scallops but also a lot of great monkfish, which is an incidental catch at a very low cost." He adds, "You'll find a long list of skewered monkfish dishes among our specials."

The chef also speaks highly of local York River catfish, which he calls "fabulous"—though it doesn't sell anywhere near as well as a popular fish like flounder, he notes. Other local fish that he's been getting lately include sea trout, bluefish and tilefish. "And," he adds, "I recently got some tautog (black sea bass) caught off the shelf here. I'm from New England, and I was familiar with the fish from up here, but I'd never seen it around here before. It was great."

Local supply varies with region

When he was chef at the American Restaurant in Kansas City, MO., Bradley Ogden had to work hard to get a good selection of quality fish and shellfish. "We did have good local catfish and bass and excellent fresh Ozark trout," he recalls, "and I was able to get a lot of other things out of Boston. But it was hard to get good stuff regularly. It's a lot easier now."

Ogden is now chef at the elegant Campton Place Restaurant (in the hotel of the same name) in San Francisco, CA. He patronizes local suppliers these days but buys things from all over the country. "We've been getting great shad roe and soft-shell crabs. We get whitefish and perch and walleyed pike from Michigan. We've just had some superb white king salmon from Alaska. . . . You name it, and we can get it."

Among Ogden's specialties are soups of oysters and corn and of summer squash and lobster; Alaskan prawn and Maine lobster sausage with tomato vinaigrette; brown spotted trout from Colorado, smoked in-house and served with fiddlehead fern relish; deep-fried Monterey squid with fried parsley and spicy remoulade sauce; and roasted Rhode Island sea bass with artichokes and corn.

Foreign supplies preferred by some

Conversely, at least one highly acclaimed young American chef, Ken Frank of La Toque in Los Angeles, CA, eschews his own country's seafood. "I have a very good supplier in France, in Brittany," he says, "and the stuff I get is just exquisitely good. There's no two ways about it: French seafood is just the best that money can buy. And with the exchange rate so favorable for us, the prices are very competitive. Anyway, I'm not really into blackened redfish, grilled halibut with mint and chiles and that sort of thing. I tend to use a lot of turbot, Dover sole, John Dory, *loup de mer, rouget, daurade* . . . I get great fresh frog legs, too. My shipment comes in once a week, and I get lettuce, mushrooms and some other produce in the same load."

One domestic item Frank does use is Santa Barbara shrimp—but, he complains, "The supply is very inconsistent, and it's very expensive right now." He uses the shrimp, when he can get them, to make what he describes as "about my most popular seafood dish." He butterflies them, tops them with a bit of sea urchin roe and lemon juice, then bakes them briefly on a buttered tray. Another equally simple Frank specialty is frog legs, breaded and fried, with lime and tomato butter. Slightly more complex is the dish he calls *selle de lotte a la creme de bourride*, roasted and sliced monkfish with a reduced cream and fish-fumet sauce inspired by the fish stew called *bourride* and highlighted with a bit of *rouille*, the spicy Provencal garlic-and-red-pepper mayonnaise. ("Lotte is the one fish you can slice like meat," Frank says. "I think of it like tenderloin because it has about the same shape and firmness.")

Freshness, not source, dictates

Piero Selvaggio, dynamic proprietor of Valentino in Santa Monica, CA, is determinedly cosmopolitan when it comes to buying seafood. Since his restaurant is Italian (the best Italian in the country, according to some critics), he imports some seafood directly from Italy—baby octopus, small cuttlefish (the ink is used frequently in risottos and pastas at Valentino), *spigola* (sea bass), baby clams, to name a few. Most of it comes from the Adriatic and is shipped to Los Angeles via Milan and New York. Selvaggio gets several crates of such items every Wednesday. "But," he confesses, "freshness is a problem. I can't use a lot of what I get. I take risks." To get better-quality Italian seafood faster, Selvaggio currently is trying to set up an agreement with several other top Southern California Italian places to direct-import specialty items through Pacific Seafood in Santa Monica.

SAUTEED CRAB WITH ZUCCHINI, SPINACH, BROCCOLI & CREAM

serves 8

1 pint heavy cream
2½ lbs. fresh broccoli
2 lbs. fresh zucchini
1 10-oz. package fresh spinach
2 lbs. lump backfin crabmeat
10 Tbsp. butter
3 Tbsp. water
salt and pepper to season

1. Place cream in a heavy-duty sauce-pot over medium heat. Bring the cream to a simmer, then reduce heat and allow cream to reduce by half of its original volume. This will take approximately 45 minutes.
2. Trim the stems from the broccoli. Quickly blanch the broccoli tops in simmering salted water. Remove broccoli from cooking water and cool immediately in ice water. Cut the cooled broccoli tops into florets.
3. Lightly peel the whole zucchini; cut the zucchini into long thin strips—about half the width of a fettucine noodle.
4. Clean and wash the spinach leaves. Cut the leaves into thin strips.
5. Pick the crabmeat to remove any remaining shells. Be careful not to break up the lumps.
6. To prepare the dish, saute the zucchini and spinach together in three tablespoons of butter, seasoning with salt and pepper. In a separate pan, saute the crabmeat in four tablespoons of butter, seasoning with salt and pepper. In yet another pan, saute the broccoli florets in three tablespoons of water, seasoning with salt and pepper. When all items are hot, assemble the dish.
7. In the base of a pasta plate, arrange the zucchini and spinach along the outside edge. Place the broccoli florets facing outwards in a circle in the center of the plate. Inside the ring of broccoli, place the crabmeat. Ladle one ounce of reduced cream over the zucchini and spinach. Serve immediately.

—Trellis

Meanwhile, though, Valentino also uses oysters, *lotte*, and *loup de mer* from France; orange roughy, scallops, clams and green-lipped mussels from New Zealand; Hawaiian and ("when I can get it") Santa Barbara shrimp; Northwest salmon; and Baja California tuna and, occasionally, swordfish. In other words, he seeks out the best he can get without arbitrarily limiting himself to one source or another.

And what do Selvaggio and his team of young Italian chefs create from the seafood they buy? Not the usual deep-fried squid, spaghetti with clam sauce, and "shrimp scampi." Instead, look for such Valentino specialties as jumbo scallops wrapped in radicchio leaves with sweet peppers; a "sashimi-type" orange roughy salad with baby scallops and julienned greens; black tagliolini pasta with lobster and tomatoes; risotto with scampi tails and zucchini blossoms; mussel ragout with white wine and assorted wild mushrooms; sea bass fillet with tomato sauce, and simply steamed Florida red snapper. ("We try to explain that fish like this has to be cooked whole, and that *al vapore*—steamed—is one of the best ways to cook fish because it preserves all the moistness and flavor.")

In general, says Selvaggio, finding the finest, freshest seafood isn't always easy. "But," he says, "If you work a little harder, there's no limit to what you can do." ❑

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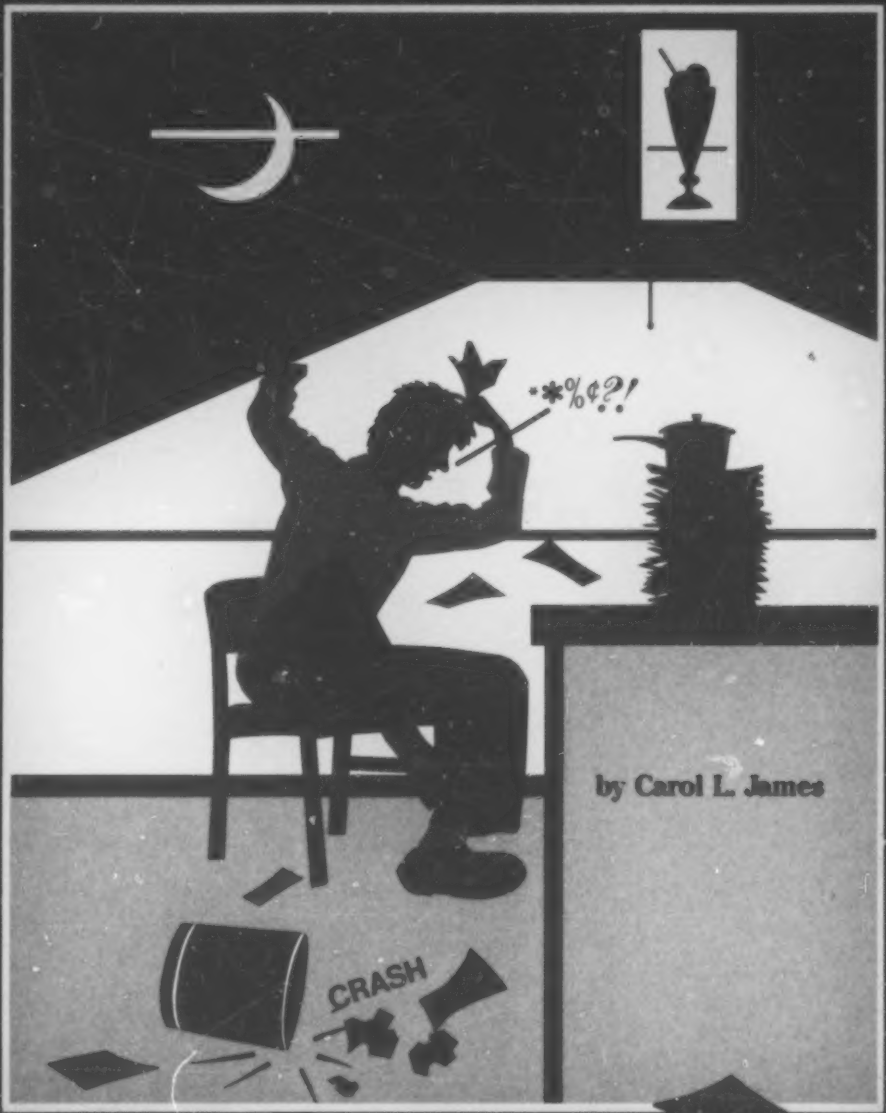
COMPUTERS

Foodservice is Falling Behind Supermarkets



by Carol L. James

Byte by byte, restaurants of America have been out-high-teched by supermarkets. Fueled by a computer's synthesis of data rich in the Universal Product Codes (UPCs) — a set of printed bars to be read by electronic product scanning equipment — and the Uniform Communication Standard (UCS) for placing orders electronically by telephone, supermarkets have moved well beyond microcomputer literacy; they are now information driven.

Supermarkets now use computers to keep track of just about everything. Computers help supermarkets cut costs, point them toward the most prof

The Computer Solution to Inventory Control

by Michael L. Kasavana, Ph.D.

When restaurateurs are asked to indicate the single most important automation application for their businesses, they typically reply, "inventory control." Despite its apparent importance, inventory modeling is the least uniform software application across foodservice computer systems.

The identification, implementation and operation of an effective computerized inventory system is a perplexing problem. The fact that systems differ in capacity, concept design and accomplishment should be a signal for management to pay close attention to potential problem areas during system selection.

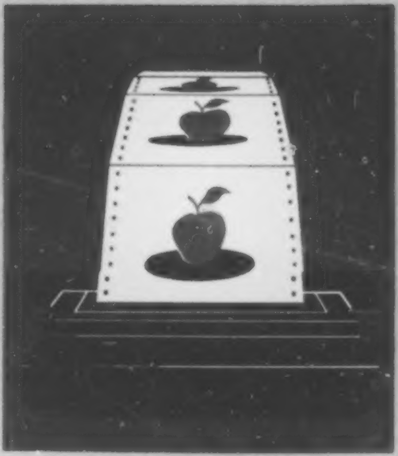
Systems that do not employ integrated files, for example, will necessitate a high level of manual support to operate efficiently, undercutting the benefits from automation. While some system failures may be attributed to poor training and documentation, more difficulties arise when systems are transported directly from other industries. The foodservice business, with its unique inventory characteristics, usually cannot be appropriately modeled by a transposed package. Special care should be taken when applying a generic, or foreign, scheme to the foodservice environment.

Potential problems

In the evaluation of automated foodservice inventory control systems, there are at least three major areas of concern: ingredient definition, concept standardization and ease of system use.

(1) Ingredient definition. Because most ingredients are purchased, stored and applied in differing units, the data files must be structured to allow for the interrelation of varying measures by encompassing the varying units of individual items. In other words, because items may be bought by *purchase unit* (such as a case), stored by *issue unit* (such as a #10 can) and used by *recipe unit* (such as an ounce or a cup), conversion capabilities are necessary. By knowing, for example, that a case may be broken into six #10 cans, each containing 108 ounces, an operator can do purchase analysis, recipe evaluation, pre/postcosting, purchase order preparation and inventory control based on a common denominator. Without such conversion capabilities, the tracking of goods from purchase to production to service to settlement to replenishment becomes a tedious, cumbersome procedure. (Note: Some systems use an ingredient data file which may appear to be independent of the inventory system but may not be, depending upon the integrated design of the software.)

(2) Concept/standardization. While the terms "inventory usage," "inventory variance" and "inventory valuation" are fairly common to foodservice management, they do not have



the identical meaning in all computer software systems. *Inventory usage* normally defines the change in inventory level from one point in time to another (the depletion of stock on hand). While most restaurateurs depend on an accurate tracking of this data, there can be variation in computation, reporting and subsequent use. Is food considered "used" (for costing purposes) at time of receipt, at time of issuance to kitchen or at time of service? While each of these time frames presents a different result, the one most desirable to a particular operation may not be the one built into the selected system.

A second important concern in the determination of usage is the basis for information. In other words, is usage charted by unit, by cost or by both? A system that charts only by unit will display changes in stock levels but not provide financial data for food costing. A system that keys primarily on product cost will not enable quick spot checks of inventory or eventual reconcilement between perpetual and physical inventory levels. The best approach appears to be a system that reports by both unit and cost consider-

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itable items to stock and give them an edge on becoming first-class marketers. As a result of information they glean from their computers, supermarket chains are hard at work customizing the stock on their shelves and designing stores to reflect local neighborhood tastes and demands.

Increasing computer adaptation is a major reason why supermarkets outstripped foodservice in real growth in 1985 for the first time since 1980. Fortified by computer-driven information, they are hungry and equipped to eat into an even bigger share of the consumer's food dollar.

Foodservice lags behind

Foodservice is not anywhere close to this level of technological sophistication. "In the foodservice business, we are really playing catch-up ball," says Gil Kretzer, executive director of the International Foodservice Distributors Association, Falls Church, VA.

Because the restaurant industry faces increased competition, it needs to look after its own assets by becoming more efficient. Some vendors, distributors and fast food and tablecloth restaurant operators are already taking strides to adapt to an increasingly high-tech environment.

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ations. Too often operators claim that the installation of their computer system dropped their food cost percentage by three to seven percentage points. The truth is that the system probably computes food cost data using a different formula (algorithm) than the one they used prior to computerization.

Similarly, *inventory variance* requires a system that contains proper ingredient definitions, enables key ingredient summaries and facilitates a streamlined inventory update. Ingredient definitions are concerned with the varying units of an individual item (see #1). Key ingredient summaries (not available in all systems) are a technique for coding special high-cost ingredients so frequent spot checks can be made. At the end of a meal period, for example, the number of steaks and lobster tails which should be on hand (difference between starting inventory and number sold) will be automatically reported for verification. This places inventory control close to the point of transaction and has been shown to be effective for restaurants with high degrees of variance.

Inventory valuation is an area that most operators ignore when reviewing an inventory control system. The fact that systems may extend inventory counts by purchase price, average price or current price receives little or no attention in the selection process. While some vendors may argue that inventory valuation is of slight monetary consequence, there is little evidence to support this claim. Do you know how much your inventory is worth? Are recipe units converted into issue units and then converted back into purchase units for valuation? Does your restaurant use a FIFO (first in, first out) pricing scheme to compute costs/values? While some systems allow restaurateurs to configure their own accounting parameters, operators are not always aware of these features or their consequences. Care should be taken to ensure that the system's valuation approach closely parallels a restaurant's pre-computer procedures.

(3) Ease of use. The largest factor when considering a computerized inventory control system is the need for creating, updating and maintaining data files. Since restaurants tend to stock about 1,500 products for use in 300 recipes, there is an understandable hesitancy on the part of the user to undertake such a laborious task. Restaurant purveyors, however, are an incredible source of product line data and can really shortcut the input process. Some systems provide file space for more than one ingredient designation (item file code number, inventory sequence number, internal customer code, etc.), which can also aid overall system functionality. The ability to print ingredients on a physical inventory worksheet (by the order in which they are shelved), to pinpoint economic reorder quantities and to investigate lead and lag order times are examples of how the system now can save time once the inputs have been made.

Be sure the data files are easy to update to ensure accurate, up-to-date information.

Selecting the right system

The selection of an inventory control system is dependent upon both file size and capacity. Systems should enable users to develop conversion tables (by purchase unit, issue unit and recipe unit) for individual items. The absence of sufficient conversion data will greatly inhibit the system's ability to accurately track ingredient movement and will necessitate cumbersome manual procedures to augment automated processes. This tends to be a limiting feature for some systems in the marketplace today.

Inventory concepts must be reviewed for vendor-specific definitions. The use of a known phrase doesn't assure a restaurant that the formula used adheres to industry standards. The best means to determine what different inventory packages do is to employ a set of test data. The same data should be used to compare packages. Be aware that not all systems use identical techniques by which to process data. There is an apparent absence of standardization.

Operators are encouraged to keep the following questions in mind when evaluating inventory control modules:

1. Is the file capacity sufficient? Every ingredient will need to be captured and stored in a data file.

2. How thorough are ingredient definitions? Each product should have its unique units (purchase, issue, recipe) in a unique conversion table.

3. Is the system easy to operate? Easier-to-use systems are more likely to be used properly. A major drawback to system adoption typically is ease of use.

4. Is the system integrated? Nonintegrated software will need manual procedures to work effectively, which may negate many of the system's potential benefits.

5. Does the system make sense? Prepare a sample set of data for system testing. Use the inventory package and track the flow of information from input to output. Be sure the product is logical and reliable. ❑

Distributors, vendors help

The partnership between the supplier and the restaurant is solidifying. Suppliers are trying to become one-stop shops by expanding their lines to satisfy all restaurant needs. They are recognizing that their own success is determined by how well the restaurant operates. Suppliers hope that a closer working relationship will result in restaurants shopping around less. One way progressive distributors and vendors are moving to assist restaurateurs is by offering leased computers and tailored management software programs.

Kraft Foodservice was the first company to start evaluating restaurants' needs in this area a year and a half ago. According to Kraft Foodservice Marketing Manager Susan Miller, "We wanted to find a value-added product or service that would make us stand out and serve the customers better." A survey of restaurateurs found them lacking controls necessary to operate efficiently and having insufficient time to manage their businesses, despite working 16 to 18-hour days. Automation seemed to be the answer.

While Kraft's surveys found restaurateurs open to the concept of computerizing their businesses from front end to back end—beyond the Point of Sale (POS) systems, "restaurateurs didn't have a lot of familiarity with how to put the pieces together," says Miller. "They didn't want to have to go out to Computer Land and evaluate computers or read *PC Week* to figure out what software they needed. We saw a real niche and a real service we could offer."

Working in tandem with Applied Control Systems Inc., a software development firm in Research Triangle Park, NC, which specializes in the tableservice restaurant industry, Kraft developed a food management software package to run on IBM personal computers. Kraft rebates part of the monthly $350 to $450 lease fee based on purchases of Kraft products.

Beyond Kraft, several other major food companies are developing these types of systems. "It won't be an overnight thing—it will be over the next five to 10 years," says Pat Dolan, audit manager—wholesale distribution, Arthur Andersen & Co., Chicago, IL.

Restaurants take action

While it is apparent that suppliers are gearing up to help tableservice restaurant operators enter the information era, some restaurateurs are proceeding on their own to computerize their operations.

Nearly all quick service operators are fully computerized. But currently only 25 to 30 percent of the tableservice sector of the restaurant industry is computerized in both the front and the back of the house. About 75 to 80 percent, however, have computerized POS systems.

Those that are fully computerized are primarily using computers for accounting, inventory control, payroll, menu analysis and financial analysis. The trend now is to integrate all of those functions into one overall system and one application to permit better analysis and control. Nonetheless, very few restaurants are doing the kinds of sophisticated information analysis that is comparable to what sophisticated supermarkets are now able to do.

Without computers, it can take "40 bookkeepers a month" to churn out the figures, says George Berkowitz, president of Legal Seafoods, a six-restaurant chain in Boston, MA. He is convinced that restaurateurs doing a volume business need the kind of up-to-the-minute information computers can provide to make informed management decisions. He is in the process of expanding and further integrating the functions of his computer system.

Firms have sprung up specifically to serve the tableservice restaurant market niche.

Robert Grimes, POS coordinator for The Marriott Corporation, Washington, DC, and a member of the management information systems advisory committee of the National Restaurant Association, agrees. "You have to have the right menu combination so you get the kind of profits you want to make. The only way to do that is to know the cost of each individual item and what percentage of the total sales each individual item has."

Grimes, a computer specialist, says the computer industry itself is part of the reason that restaurants lag behind the supermarket sector in adapting the technology. Computer companies prefer large-quantity sales to industries capable of using standardized software.

Customized software for foodservice

"The typical cycle is for computer companies to bring out software for retail (mass merchandisers), not the food industry). After a couple of years, then, finally, they go to supermarkets and to fast food operations—usually the chains. Later they go on to fine dining and hotels. It always goes that way. The difference now is that there are companies that only make products for the foodservice industry, but they are small ones," says Grimes.

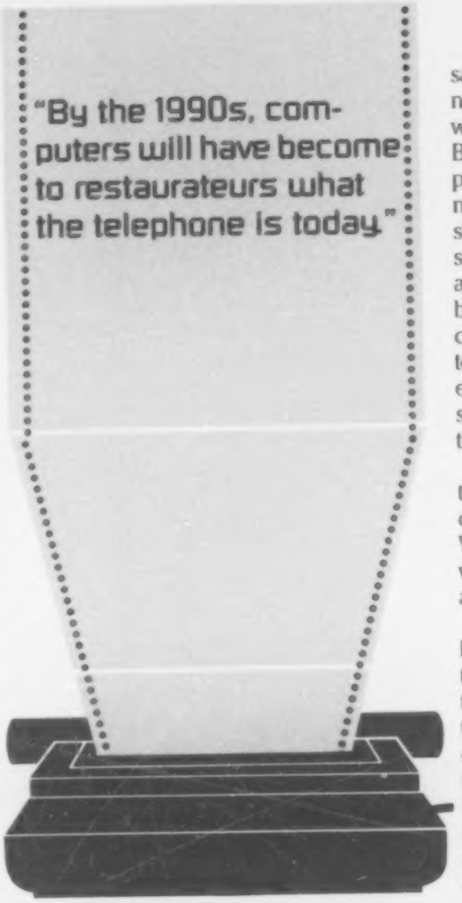
Foodservice generally is a more complex industry to computerize than supermarkets and other types of retail applications. Designing software to handle the nuances of tableservice applications—such as "one margarita, extra salt, squeeze of lime, light on ice"—is quite complicated. "If you get a case of tomato sauce in a grocery store, there is little shrink—but in a restaurant, a case is not a case. You're selling a different product than you're buying. It is not an exact science," says Grimes.

But, within the past several years, a number of companies have risen to meet this complex challenge. Firms such as Applied Control Systems have sprung up specifically to serve the tableservice restaurant market niche—concentrating on establishments with sales as small as $200,000 yearly. They are ironing out the intricacies of tableservice software into what users attest to be very smoothly functioning systems. And, they are present in ever-increasing numbers at industry expositions such as the Annual National Restaurant Association Hotel-Motel Show.

Why computerize

Most of these companies believe that this is the time to computerize, and they cite a number of reasons: Mini and micro-computer costs have dropped dramatically and now are well within the affordability of smaller restaurant owners (complete systems can cost as little as $14,000 exclusive of the POS, or, in Kraft's case, less than $10,000). Competition is keener and computers offer better control. Moreover, people—customers, employees, owners and managers—are all more acclimated to using computers and expect to have them around in their daily surroundings. And labor is tougher to find and increasingly more expensive.

According to the Arthur Andersen & Co. study, "Trends in Information Technology" (1984), "Personnel costs have been increasing by seven percent per year. Computer costs have been decreasing by 20 percent per year. Relative to the costs of computer power, people are 20 times more expensive than in 1974 and 400 times more expensive than they were in 1964."



"By the 1990s, computers will have become to restaurateurs what the telephone is today."

Computers also improve employee performance. "Computers give the employee a new skill and a sense of self esteem, and computerization professionalizes the role of the table server. It markedly upgrades server attitudes toward their jobs," says Dr. Michael Kasavana, professor and acting director of the School of Hotel, Restaurant and Institutional Management at Michigan State University in East Lansing, MI.

Finally, the results of computerization speak for themselves. The small computer vendors just breaking into the marketplace over the past three years produce folders brimming with testimonial letters from pilot restaurants that boast of "50 cents more per cover," "half a turn more" and "bar business doubled."

Don't worry if these new vendors are not IBM, say restaurant computer consultants. "Remember, state of the art has nothing to do with who the biggies are," says Joel Chaban, president of Food ABCS, a food and beverage computer consulting firm in Larkspur, CA.

Technology on the cutting edge

Two of the hot new items on the cutting edge of computer technology designed for the tableservice sector are hand-held, calculator-sized computers which allow table servers to transmit orders by radio signal to the kitchen (Validec is the first model in commercial use) and a computer system that uses touch screens at service stations to transmit orders from the service floor to the kitchen (Postech).

"I think our time has finally come. I have been working at this for more than 10 years now, and I was really bashing my head against a wall in the mid-'70s. Finally, it has really become a hot item," says Geoff Johnson, vice president for research and development, Postech, Vancouver, Canada, whose personal computer-based system now is installed in 60 restaurants.

"Computers are being criticized as being impersonal and taking people away from the customer. But it works the other way," says Johnson. "Orders can be placed more quickly, there is far less hassle when bills are presented because they are always accurate and always readable. Now that we are into the world of noiseless thermal printers, we can locate one of these printers right next to the dining table, maybe camouflage it with some plants. The noise is not an issue."

Also innovative is the system developed by Validec Corporation in San Carlos, CA, a company recently purchased by Remanco. Validec is a hand-held computer that allows the server to stand at the table, punch in signals and communicate inaudibly via radio with the cook in the kitchen. From anywhere in the restaurant, the server sends the order to the kitchen, the bar or to salad prep, as each course is needed. Runners can deliver the orders, or, if necessary, the server can leave the floor briefly when signalled that an order is ready.

For a 200-seat restaurant, the pilot-priced system costs about $50,000, says Lewis Berkhout, director of finance for Road House Restaurants, which operates seven California Cafe Bar and Grills. "We expect to see a payback in 18 months. They're soft numbers, but on the basis of our results to date, we've put in two more systems." So far, he has been "pleasantly surprised" with the system's reliability. "It's definitely a 1980s type of machine. Staff on the floor have to be able to respond to the wave of a finger or an eyebrow, and the Validec in our installations definitely seems to provide that."

"Things tend to happen faster out on the floor—maybe five to 10 minutes quicker for your average dinner party. We really don't aim for that, we just want to be able to give better service," adds Berkhout.

The customer is not the only one to benefit from the system. "With our system, the manager can look in on any table and note whether what's on the table has been put on the guest check," says Kay Harris, account executive at Validec. To make her point she tells how the owner of The Waterfront Restaurant (San Francisco, CA) went down a row of tables and found several orders of coffee were not on the guest checks. "When the server was ready to check out, he presented the server with a bill for all those coffees," she says. "That server has not forgotten any coffees since. Those coffees go right to your bottom line. The manager can look into the tables without interfering with the server or the customer."

Limits are unknown

These efforts are only the beginning. According to Kasavana, "By the 1990s, a majority—80 to 85 percent—of the surviving restaurants will be automated to a great extent. By then, computers will have become to restaurateurs what the telephone is today."

What's going to happen to the supermarket business if the foodservice industry really goes high tech and gets even more sophisticated? Says Purdie of Applied Control Systems: "The limits are not yet known about what computerization can do for foodservice—it's going to be able to take a concept, say the best barbecue sauce in the world, mail order it, run and track that order and expand sales. It becomes semi-limitless." ❑

by Bruce Ellis

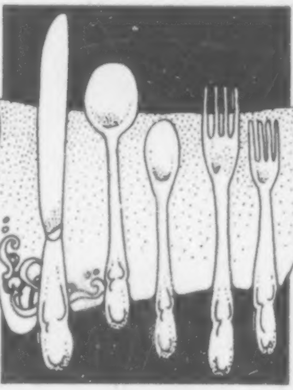
CATERING EQUIPMENT

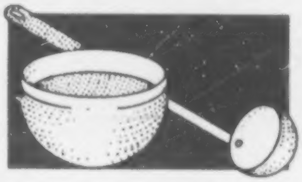
To Buy, Or Not To Buy

If you think it is cheaper to rent than to buy equipment for a catering operation, this article may surprise you.

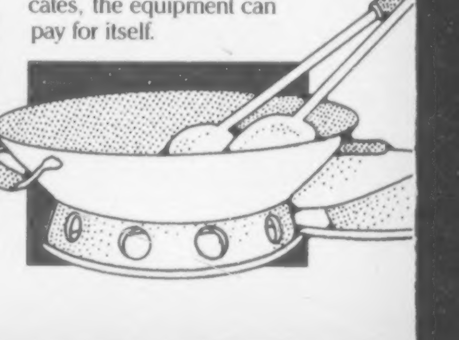
Whether you should rent or buy equipment for your catering operation depends on your company's needs and requirements. If you are short of capital and/or prefer to spend all of your efforts developing creative menus, then renting may be for you, especially if you have several rental agencies in your area that can provide you with a number of different looks.

However, if you want to be self-sufficient and flexible and if you want to do things that will set you apart from everyone else, then buying is the answer. Because the equipment is yours, you can control the quality and provide your customers with one-stop shopping. You also have total control: You do not have to rely on a third party to determine times of rental or the condition of the equipment. And you don't have to worry about replacing any missing items at the last minute. Finally, you can develop a new profit center for your business by going into the rental market. But you must be sure not to leave yourself short by overbooking. Also, there are certain pieces of equipment that you may want to keep for yourself because they give your company its identity, such as ice cream carts, certain centerpieces or props.





It is very difficult to determine at what point you should buy rather than rent your equipment because buying requires a great deal of capital investment. But, as the following example indicates, the equipment can pay for itself.



Purchase and rental costs of equipment needed to support 100 people for sit-down French service dinner*

Quan.	Description	Purchase price	Rental price	Quan.	Description	Purchase price	Rental price
	TABLES				GLASSWARE		
4	30" × 30"	180.00	12.00	150	Highball Glasses	70.50	37.50
5	30" × 5'	280.00	25.00	48	Old Fashioned Glasses	20.16	12.00
6	30" × 6'	336.00	36.00				
1	3' × 6'	85.00	6.50		STEMWARE		
10	6' Round	1670.00	80.00	100	Water Goblets	337.00	110.00
				100	White Wine Glasses	300.00	110.00
	CHAIRS			100	Red Wine Glasses	300.00	110.00
100	French-Empire	7815.00	500.00	48	Liqueur Glasses	36.96	52.00
50	Chair Bags	2900.00		48	Brandy Snifter 6 oz.	25.92	14.40
				100	Tulip Champagne	287.00	110.00
	LINENS						
4	2 yd. × 2 yd.	37.20	16.00		PLATTERS—SILVER		
5	2 × 108" Cloths	50.15	40.00	10	22" Oval Platters	470.00	80.00
10	Round Cloth 132"	277.50	170.00	10	18" Round Trays	364.70	60.00
10	Overlays (84" × 84")	250.00	80.00	10	14" Round Trays	320.90	50.00
100	Linen Napkins	110.00	55.00	4	12" Round Trays	93.60	20.00
100	Linen Doilies	60.00	25.00				
100	Tea/Ckl/Napkins	75.00	60.00		CANDELABRA, ETC.		
10	Service Napkins	11.00	3.50	30	Candlesticks—[✓ Tall]/Short	1465.00	80.00
10	Skirting	700.00	100.00				
5	2 × 3 Pads	56.30	6.25		SILVER SERVICE		
10	2½ × 2½ Pads	163.90	12.50	13	Coffee Pots	1209.00	58.50
36	Tea Towels	9.30	13.50	10	Creamers	255.00	17.50
				10	Sugars	245.00	17.50
	CHINA—Blue/White			10	Champagne Bucket	477.70	52.50
	[✓ Simplicity]/Fleetridge			3	Revere Bowls, Small	43.20	6.00
100	Bouillon Cups/Saucers	794.00	60.00	12	Revere Bowls, Large	302.40	30.00
200	Dinner Plates	1400.00	70.00	20/20	Sauce/Bts./Ladle/Tray	1098.00	40.00
300	Dessert Plates	1050.00	105.00	10	Bread Trays	127.00	40.00
24	Tea Cup/Saucer	139.68	14.40	30	Salt/Pepper	207.00	30.00
100	A.D. Cup/Saucer	346.00	60.00	5	Water Pitchers	465.00	20.00
	SILVERWARE—Stainless				GLASS ITEMS, MISC.		
100	Bouillon Spoons	164.00	30.00	6	Pitchers	20.10	4.80
100	Dinner Knives	431.00	30.00	72	Ashtrays	18.00	21.00
100	Dinner Forks	211.00	30.00	100	Finger Bowls silver	911.00	100.00
100	Medium Knives	417.00	30.00				
100	Medium Forks	174.00	30.00		INCIDENTALS (RENT.)		
100	Dessert Spoons	174.00	30.00	3	Coffee Maker, 55c	41.25	30.00
100	Dessert Forks	174.00	30.00	1	Carving Rack/Tray/[✓ Set]	9.20	3.00
10	Teaspoons	11.70	3.00	1	[✓ Carving]/Cheese Board	9.00	5.00
100	A.D. Spoons	117.00	30.00	10	Tubs—[✓ Plastic]/Metal	137.50	15.00
30	Service Spoons	67.50	9.00	2/10	Trash Cans/Liners	24.50	14.50
30	Service Forks	63.30	9.00	1-10	Table # Stands—Std.	181.00	17.50
10	Cheese Knife/Spat./Cleaver	90.00	7.50	2	Carriers—Small/[✓ Large]	997.90	40.00
10	Tongs, Ice/[✓ Sugar]/Asp.	42.50	10.00	10	Sheet Pans	80.00	45.50
10	Salad Scissors	100.10	22.00	1	[✓ Stove]—[✓ Gas]/Electric	359.00	30.00
				3	Cart—Flat/Hand	348.30	15.00
			GRAND TOTAL: PURCHASING			$31,607.90	
			GRAND TOTAL: RENTAL			$3,349.75	

*Based on the same form used in the accompanying chart.

Bruce Ellis is executive vice president of Ridgewells Caterer, Inc. in Bethesda, MD—a catering company that also rents equipment.

Purchase and rental costs of equipment needed to support 100 people for a cocktail party

Quan.	Description	Purchase price	Rental price
	TABLES		
4	30" × 30"	180.00	12.00
6	30" × 5'	336.00	36.00
	30" × 6'		
	3' × 4'		
	3' × 5'		
3	3' × 6'	195.00	10.50
	3' × 8'		
	4' × 4'		
	4' × 6'		
	4' × 8'		
	2' Rnd Tables		
6	3' Rnd Tables	202.00	33.00
	4' Rnd Tables		
	4½' Rnd Tables		
1	5' Rnd Tables	60.00	7.00
	5½' Rnd Tables		
	6' Rnd Tables		
	Serpentine (ea.)		
	30"/36" QTR		
	CHAIRS		
	Folding Vinyl-Gold/White		
30	Folding-Wood-White	525.00	82.50
	Folding-Brown/Black		
	Ballroom-Gold/White		
	French-Gold/White		
	French-Empire		
	LINENS		
	Card Table Cloths		
4	2 yd × 2 yd	37.20	10.00
	2½ yd × 2½ yd		
4	2 × 100" Cloths	40.12	32.00
1	2½ × 3 Cloths	34.50	15.25
	Round Cloth 90"		
6	Round Cloth 96"	103.26	51.00
	Round Cloth 108"		
	Round Cloth 120"		
	Round Cloth 132"		
3	Overlays (60" × 60")	24.03	18.00
	Overlays (84" × 84")		
	Serpentine Cloth		
6	Linen Napkins	6.00	3.30
	Dmsk. Napkins/Ridgelux		
	Linen Doilies		
	Tea/Cktl. Napkins		
6	Service Napkins	6.00	3.30
	Skirting/Pre-pleated		
8	Skirting	160.00	80.00
	Skirting		
4	2 × 3 Pads	53.04	5.00
1	2½ × 2½ Pads	6.50	3.12
	Serpentine Pads		
24	Tea Towels	6.20	9.00
	CHINA—Glass/White		
	Simplicity/Flintridge		
	Bouillon Cups/Saucers		
	Dinner Plates		
	Dessert Plates		
100	Bread/Butter Plates	289.00	35.00
	Tea Cup/Saucer		
	A.D. Cup/Saucer		
	Cup/Plate Sets		
	SILVERWARE—Stainless		
	Soup Spoons		
6	Bouillon Spoons	9.84	1.00
	Oyster Forks		
6	Butter Knives	9.84	1.00
	Fish Knives		
	Fish Forks		
	Dinner Knives		
	Dinner Forks		
	Medium Knives		
	Medium Forks		
	Dessert Spoons		

Quan.	Description	Purchase price	Rental price
	SILVERWARE—Stainless		
	Dessert Forks		
	Teaspoons		
	A.D. Spoons		
6	Service Spoons	12.50	1.00
6	Service Forks	13.50	1.00
2	Cheese Knife/Spat./Cleaver	18.00	1.50
	Iced Teaspoon		
	Tongs, Ice/Sugar/Asp.		
	Cake Knife/Server		
	Salad Scissors		
	Chaf. Dish. Spoon/Fork		
	Pour/Punch/Sauce Ladle		
	Serving Trowel		
	Steak Knives		
	GLASSWARE		
	Punch Cups		
150	Highball Glasses	70.50	37.50
	Pilsner Glasses		
48	Old Fashion Glasses	20.16	12.00
	Juice Glasses		
	Beer Mugs		
	STEMWARE—Reg/Crystal		
	Fruit Cups		
	Sherry Glasses		
	Water Goblets		
48	White Wine Glasses	46.08	14.40
	Red Wine Glasses		
	Parfait Glasses		
	Liqueur Glasses		
	Brandy Snifters 6oz/12oz		
	Champagne-Coupe/Fluted		
	Irish Coffee-Stem/Tumbler		
	Tulip Champagne		
	Wine Decanters		
	Seafood Icer w/liner		
	Water Set w/Glass		
6	Magna Grande Glasses	8.40	4.00
	PLATTERS—Silver		
	Tea Trays		
	36" Fish Platters		
	30" Fish Platters		
	22" Oval Server/Pyrex		
	22" Oval Platters		
	20" Oval Platters		
4	18" Round Trays	145.56	24.00
4	14" Round Tray	128.36	20.00
4	12" Round Tray	93.60	20.00
	Trays—Other Sq./Rnd.		
	Base Plates—Sq./Rnd		
	LUCITE		
	15" × 21" Rectangular		
	24" Oval		
	21" Oval		
	Fish Platter		
	18" Round		
	15" Round		
	13" Round		
	Fluted Bowl Med./Lg.		
2/2	Boxes/Rounds (Display)	230.20	20.00
	Ice Bucket—White/Black		
4	Lucite Round Pools	157.00	20.00
	CANDELABRA, ETC.		
2	3-Light	545.60	13.00
	5-Light		
	9-Light—Gold/Silver		
	13-Light—Gold/Silver		
	Candlesticks—Tall/Short		
	Votive Rely		
	Williamsburg Globes		
	SILVER SERVICE		
	Coffee Service (60c)		
	Coffee Pots		

Quan.	Description	Purchase price	Rental price
	SILVER SERVICE		
	Creamers		
	Sugars		
	Silver Urn (60c)		
	3 gal. Punch Bowl/Ladle		
1	Champagne Bucket	47.77	5.25
2	Revere Bowls, Small	26.80	6.00
4	Revere Bowl, Large	100.00	10.00
6	Compotes—10"/Candy	163.44	10.00
	Compotes—3 tier		
	Supreme Cups		
	Vegetable Dish		
	Sauce Bts./Ladle/Tray		
	Bread Trays		
7	Salt/Pepper	13.00	2.00
	Water Pitchers		
	CHAFING DISHES		
7	2 qt. Round/Pyrex	130.59	20.00
2	3 qt. Round/Pyrex	172.72	25.00
	3 qt. Rect. Casserole		
	5 qt. Oval		
	2 gal. Round		
	2 gal. Rectangular		
	2 gal. 2 Comp. Rect.		
	2 gal. Sterno Grill		
	Crepe Stoves/Pans/Gas		
	Wok/Extension Cord		
	Mini-Stoves Electric/Gas		
	Gas Fuel Cans		
	GLASS, ITEMS, MISC.		
4	Pitchers	14.60	3.20
24	Ashtrays Reg/Ind	6.00	7.20
	Salt/Pepper Shakers		
	Finger Bowls		
	Salad on the Side		
	Platters 12"		
	1 gallon Glass Bowl		
	2 gallon Salad/Punch Bowl		
	Cigarette Urns—Rnd. or Sq.		
	Creamers/Sugars (set)		
	Ceramic Mug-Soup/Coffee		
	Crocks Sm./Lg.		
	INCIDENTALS (RENT.)		
	Coffee Maker, 55¢		
	Carving Rack/Tray/Set		
	Carving/Cheese Board		
	Wood Salt & Pepper (Set)		
8	Tubs—Plastic/Metal	110.00	12.00
1/6	Trash Cans/Liners	12.75	6.10
	Table #/Stands—Sm./Tall		
	Ice Glow—Sm., Med., Lg.		
	Helmet/Lantern/Net		
	BBQ Grill, Lg./Sm.		
	Fondue Pot		
	Blender—Electric		
	Pewter—Pig/Fish Platter		
	Coat Rack (cap 40)		
	Hangers (wire)		
	Coat Checks (per 100)		
	Ropes/Stansions		
	Amplifier/Ext. Cord		
	Red Runners (4' × 12')		
1	Carriers—Small/Large	498.95	20.00
10	Sheet Pans	90.00	20.00
1	Lg. Stove, Gas/Electric	359.80	30.00
	Tartare/Pyro		
3	Cart—Flat/Hand	348.30	15.00
	Screens		
	Plate Covers		
	Wood Bowls		
	Styrofoam Disks		
	Wicker—Describe		
	SUBTOTAL		
	DISCOUNT %		
	DELIVERY CHARGE		

Quan.	Description	Purchase price	Rental price
	MISC. SALES		
10	Paper Cocktail Napkins	10.44	22.00
	Paper Napkins Din/Lunch		
1	Paper Doilies—3" 12"	.74	2.90
1	Soap Powd./Bar (12z/@bg)	.50	.55
	Matches (Ridgewells)/Plain		
	Cigarettes, Pkgs/Ctn		
	Cigars		
6	Candles	10.44	6.00
24	Sterno—Lg./Sm.	9.36	36.00
200	Toothpicks/Forks (IV)	1.54	1.10
	Stirrers/Skewers		
	Chopsticks		
	Plastic Mugs		
	Styrofoam Cups		
	Plastic Glasses—HB		
	Plastic Glasses—OF		
	Plastic Punch Cup		
	Plast. Stm. (Ch./Wine/Beer)		
	Plastic Knives		
	Plastic Forks		
	Plastic Spoons		
	Plastic Ser. Sp./Fork		
	Plastic Dinner Plate		
	Plastic Luncheon Plate		
	Plastic B/B Plate		
	Disp. Platt. 12"/16"/Bwl.		
1/1	Plastic Roll/Sheet/Tape	1.50	3.50
	Missing Items Charge		
	Torches (One Use)		
	Flowers		
	Tent		
	Sound System		
	Music		
	TOTAL MISC.	34.52	72.16
	TAXABLE SUBTOTAL		
	DC TAX		
	SET UPS—Bot./Cans/Case		
	Tab/Diet 7 up		
	Soda Water/Perrier		
	Ginger Ale/7 up		
	Tonic Water/Tom Collins		
	Coca Cola/Pepsi		
	TJ/V8		
	Bloody Mary/Whisk. Sour		
TOTAL SET UPS			
	ICE		
	Cube		
	Snow/Block		
TOTAL ICE			
	FOOD SALES		
	DELIVERY CHARGE		
TOTAL FOOD			
	PERSONNEL		
	Waiters		
	Bartenders		
	Waitress		
	Pantry		
	Coat		
	Chef		
	Shucker		
	Supervisor		
	SUBTOTAL		
	ADDITIONAL HRS.		
	Transportation		
	Gratuity		

Missing Items	Kitchen Items
	Double Boiler/Single
	Thermos
	Sheet Pans
	Stainless Steel Pans
	1 gal./2 gal.
	Displays
	Basket
	Skewers
Extra Items	Pyrex Pie Plates
	Birds
	Cake Board
	Roasting Pans
	Ice Cream Chest

Please read contract carefully

The undersigned lessee acknowledges that he has examined the equipment leased and that it is in good condition in every respect. In the event the equipment sustains any loss, damage or destruction while under lease to him, lessee agrees to pay lessor all charges and costs therefor. The undersigned further agrees to accept full responsibility for any injury either to himself or to other persons and/or for any damage to the property of himself or other persons that may result through the use or misuse of the leased equipment, or in any manner whatsoever, from the time equipment leaves lessor's premises until it is returned or picked up. Extra charges will be made to repair damage due to abuse, misuse, overload or negligence. Ridgewells is not responsible for any damage incurred by handling customer's personal property. **Unpaid debts will incur 2% interest monthly plus all costs of collection.**

Equipment is rented on a daily basis. One-half (1/2) of rental fee will be incurred each additional day after ______________________ Count verified and

Received by Customer ______________ Received by ______________

Returned by Customer __________ Returned to __________ Statement No. __________

TOTAL PERSONNEL	
TAXABLE SUBTOTAL	
D.C. TAX	
TOTAL SALES	
TOTAL TAX—D.C., MD., VA.	
BEVERAGES	
GRAND TOTAL: PURCHASING	**$6012.82**
GRAND TOTAL: RENTAL	**$933.27**
DEPOSIT	
BALANCE	

Example

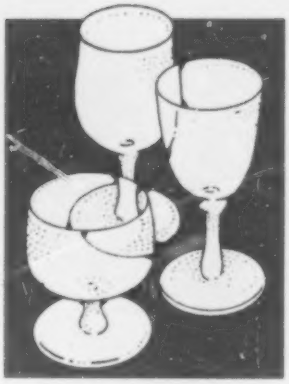
I have broken down the cost of buying and renting equipment for two different functions: one is a sit-down, French-service dinner for 100 people; the other is a cocktail reception also for 100 people. As you go down the accompanying charts, notice the different categories and quantities of equipment needed. These figures are the same for the comparable rentals.

In our company, rentals represent 38 percent of our business.

The cost of purchasing the equipment would come to $37,720.72. If this same equipment is rented for two dinners and two cocktail receptions each week for a year, the cost of rentals would be a staggering $445,434.08.

Cost to maintain purchased equipment

Of course, it would also cost money to maintain the purchased equipment, and this sum must be added to the cost of the equipment itself. Items to consider include warehouse rental; personnel costs (truck driver, warehouse manager, cleaning staff, bookkeeper, etc.); replacement costs for broken, stolen or lost equipment, (which can be as high as 25 percent of each year's inventory); insurance; utility costs; cleaning supplies; storage containers; trash removal; bad debts and advertising.



In this example, the add-on costs, based on Washington, DC rates, came to approximately $220,000, which is still considerably less than the rental fees. Moreover, there are some advantages I have not figured into my estimate, such as tax breaks and the possible profit that can come from renting your equipment to others. In our company, rentals represent 38 percent of our business.

In sum

So you see, it is a big decision whether to buy or rent your catering equipment. But, if you have the capital and if you think you have the market for rentals, you are better-off buying than renting your equipment. ☐

Editor's note: *This article is adapted from a presentation delivered at the 1985 NRA National Conference on Catering. This year's conference will be held November 16–19, 1986 in New Orleans, LA. For further information, contact NRA's Education Programs department.*

Cheered on by the trade press and brought to life by the entrepeneurs who have made it to the top, catering has become one of the biggest growth areas in foodservice.

Today's lifestyles dictate a prominate role for catering in the years to come. Catering offers opportunity and profit to those who can enter and compete in the marketplace. It's no secret that there are challenges to overcome, but with proper planning, a style of your own and a creative approach to back you up, the market is wide open.

At **NRA's National Conference on Catering**, the ingredients of success come together.

National
Restaurant
Association
National
Conference on
Catering

Catering

November 16–19, 1986
New Orleans, Louisana
The Fairmont Hotel

Registration
NRA Members $495
Non-members $645
Please note, registration fees do not include hotel accommodations.

At NRA's National Conference on Catering you will learn how to

- build an attention-getting reputation
- increase customer awareness
- boost profit
- create a unique image
- handle the day-to-day business of catering
- use contracts and deposits to your advantage
- overcome liquor liability hassles
- develop theme parties
- discover equipment and service sources
- market and sell your product
- use the computer as a resource
- update foodhandling practices to ensure quality and safety
- hire and compensate your party staff and
- design and price your menu.

—Learn it all from experts who have succeeded in the catering market.

For more information or to register, call NRA Education Programs, 800/424-5156 (toll free) or 202/638-6100.

SAFE Supplement

How to prevent viral infections and chemical poisonings

The only way to prevent viral and chemical illnesses is to prevent contamination by keeping them out of foods.

The heart of the SAFE (Sanitary Assessment of Food Environment) program is using time and temperature controls to limit bacterial growth in potentially hazardous foods. But these controls are not enough to protect against viral or chemically caused illnesses. Viruses do not require incubation time in foods, and many chemical poisons are not destroyed by heating. The only way to prevent viral and chemical illnesses is to prevent contamination by keeping them out of foods.

Viruses

Viruses are very simple organisms, but they cause many diseases—from the common cold to polio. Viruses must penetrate a living cell in order to reproduce. Therefore, they do not multiply in foods. Because viruses can be very resistant to heat and cold, and because fewer viruses than bacteria are needed to trigger a disease, they must be kept out of foods.

One of the most serious foodborne viruses is *hepatitis,* a liver infection. It is chiefly spread by infected workers, contaminated water or shellfish from polluted waters. Other viruses are commonly found in people's noses and throats, and these can be spread through coughing or sneezing. There also are intestinal viruses that can cause vomiting and diarrhea; these are spread by poor toilet hygiene. Your best protection against viral diseases is two-fold.

1. Use only shellfish from approved, inspected, reputable suppliers (and save the shipping tag) and

2. Stress good personal hygiene among food workers. Thorough handwashing is an absolute must after smoking, eating or drinking; using the toilet or after sneezing or coughing.

Institute policies that restrict ill or infected workers from food-handling duties. Employees with minor illnesses might be reassigned until they recuperate, but generally it is best that your sick workers do not come to work. This precaution applies to management personnel as well.

AIDS

The virus which causes AIDS is *not* spread by food. In its November 15, 1985 issue of *Morbidity-Mortality Weekly Report,* the U.S. Public Health Service, Centers for Disease Control, reported, "Because AIDS is not transmitted through preparation or serving of food and beverages, . . . foodservice workers infected with AIDS should not be restricted from work unless they have another infection or illness for which such restriction would be warranted."

For more information about AIDS, contact NRA's Information Service and ask for "Facts about AIDS," a Current Issues Report published by NRA in December 1985.

Chemicals

Many of the common chemicals used in foodservice operations, such as cleansers, detergents, sanitizers and pesticides are hazardous.

Chemical poisoning can range in severity from mild stomach upset to severe chemical burns or nerve damage. Preventing chemical contamination is simple, and, like most SAFE procedures, involves commonsense procedures.

1. Store and use all chemicals away from food and food utensils.

2. Read and follow all label directions. Do not increase use concentrations, and never mix chemicals unless the label tells you to.

3. Never store chemicals in anything other than the original manufacturer's container.

4. Use only food containers for food. Avoid galvanized, metal-glazed ceramic or non-food plastics; acid foods (like fruit juices) can dissolve and absorb toxic materials from this type of container.

5. Keep food-processing machines in good repair, and use only recommended lubricants. Food-processing equipment out of adjustment can drop nuts and bolts into foods. Dull can openers can rip cans and drop metal slices into foods.

6. Store and use employee medications where they cannot spill into foods.

—Robert E. Harrington

Editor's note: *A summary of the SAFE program—Sanitary Assessment of Food Environment—discussed in the April, May, June/July and August issues of* ***Restaurants USA/NRA NEWS,*** *will be available in bulletin form this fall. An educational seminar on the program will start in January 1987.*

NRA sanitation, safety info

If you would like to learn more about sanitation and safety, the following materials are available through NRA.

- **Facilities Operations Manual.** This complete manual outlines the details for facility construction and maintenance, including structures, building systems, foodservice equipment and an energy cost analysis. MG573, 252 pp., three-ring binder, 1986, $15.95.
- **Sanitation Operations Manual.** The information provided in this manual will give you all the information you need to set up a top-notch sanitation program. The manual details the Food and Drug Administration (FDA) standards and includes compliance procedures. MG857, 390 pp., three-ring binder, revised 1984, $19.95.
- **Safety Operations Manual.** This manual provides all the information you need for designing a comprehensive safety program of your own with detailed checklists. MG850, 250 pp., three-ring binder, 1981. $13.95.
- **Sanitation Survival Kit.** This kit, which consists of two bulletins, five charts and one label ("Wash hands before handling food"), is the key to a clean and sanitary environment. Kit tells how to deal with pests, identify and prevent foodborne diseases and maintain food temperatures for safety and quality storage. $9.45.
- **Safety Survival Kit.** This kit which consists of six charts and three labels is the key to preventing any accidents in the restaurant and knowing what to do should one occur. Kit includes first-aid procedures for choking, wounds and burns, proper lifting techniques, handling procedures for potentially hazardous chemicals and much more. $10.45.

All publications may be purchased through the NRA Publications Department by calling (800) 424-5156. Minimum U.S. shipping and handling charge is $2; for orders over $20, add 10 percent. For international orders, the minimum shipping charge is $4. For orders over $20, add 20 percent. All items in the kits may be purchased separately.

1988 U.S. Culinary Team makes its cooking debut

The 1988 U.S. Culinary Team made its cooking debut in the Starlight Roof Room of the Waldorf-Astoria on Thursday, August 14, 1986.

Eighty-five attendees were on hand for the occasion, including directors of the NRA/ACF U.S. Culinary Team Foundation, major team sponsors, many of the nation's leading food editors, broadcast journalists and camera crews from *PM Magazine*, WABC-TV, Independent Network News and the United States Information Agency.

Guests dined on a "gold medal" American luncheon prepared especially by the 14 members of the 1988 U.S. Culinary Team. It featured Salmon Prudhoe Bay (see recipe) and Cornish Game Hen Minnesota Woodsman's Style, two award-winning recipes that recently earned the Culinary World Cup for the U.S. Culinary Team. Also on the menu were Petits Fours, Pear Poached in Saffron Syrup with Rice Pudding Pennsylvania Amish Style, and New England Cranberry and Apple Creme.

USA
CULINARY TEAM
NRA-ACF

"We have learned a great deal from chefs in Paris, Rome, Vienna and Tokyo, and now they are learning a great deal from us," said John Dankos.

Accompanying the luncheon were wines generously provided by the Clos du Bois and Inglenook wineries: Inglenook-Napa Valley Estate Bottled 1984 Chardonnay and Clos du Bois 1985 Early Harvest Gewurztraminer.

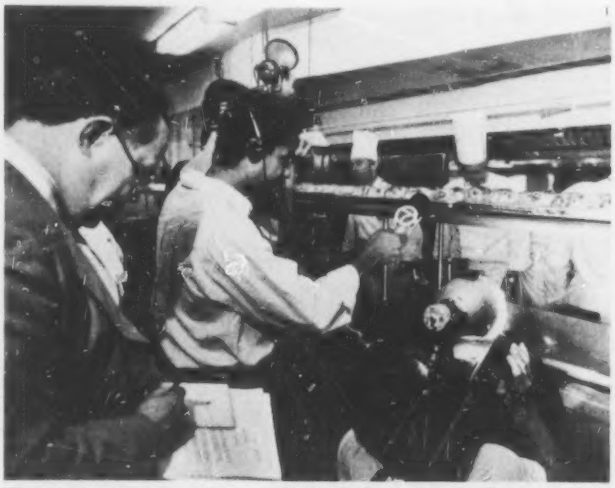
In his welcoming address, Foundation Chairman John Dankos, NRA Past President, said, "The 1984 U.S. Culinary Team showed people in the U.S. and all around the world that American cuisine rates with the best. We have learned a great deal from chefs in Paris, Rome, Vienna and Tokyo, and now they are learning a great deal from us." Dankos cited the impressive performance of the U.S. Culinary Team at the 1984 International Culinary Competition—a total of 27 gold medals, three silvers, two bronzes and two gold medallions.

Following the New York introduction, the U.S. Culinary Team begins a rigorous two-year training period. During this time it will select and refine the recipes that will represent the United States in Frankfurt, Germany, during the International Culinary Competition.

The U.S. Culinary Team, which first entered the International Culinary Competition in 1956, is funded by the NRA/ACF U.S. Culinary Team foundation, a nonprofit organization created by the National Restaurant Association and the American Culinary Federation.

Representing the National Restaurant Association on the board of the NRA/ACF U.S. Culinary Team Foundation are: John Dankos, chairman of the foundation and president of Dankos Enterprises, Inc., Richmond, VA; Ted Balestreri, co-owner of the Sardine Factory, Monterey, CA; Walter Conti, owner of Conti Cross Keys Inn, Doylestown, PA; Thad Eure, Jr., owner of The Angus Barn, Ltd., Raleigh, NC; Harry Knowles, owner of The Manor, West Orange, NJ; and Ernest Royal, owner of Ernie's at Royal's Hearthside, Rutland, VT.

—Dorothy Dee



The press came out to watch the U.S. Culinary Team make its cooking debut last month.

Photos by Steve Freidman

Industry-wide campaign to stem labor woes

Concerned about labor shortages, turnover and the lack of motivated help? Watch for an October campaign—spearheaded by the National Restaurant Association and 14 other hospitality industry organizations. It is aimed at solving your employment needs today, tomorrow and in the distant future.

FILET OF SALMON PRUDHOE BAY

Serves 8 to 10

Ingredients: One small salmon filet marinated in white wine, lemon juice, tarragon and chervil. Crepes, phyllo dough and caviar butter sauce.

Assembly: Brush one sheet of phyllo lightly with clarified butter; sprinkle with bread crumbs. Repeat this six times. Place each sheet of phyllo on top of the last.

Cover phyllo with a layer of crepes. Spread crepes with ¼" layer of forcemeat. Place filet on forcemeat. Roll up to completely enclose the salmon filet. Brush with butter. Place on a parchment-lined sheet pan. Bake at 400°F for 20 minutes.

Slice and serve with caviar butter sauce.

Forcemeat

1 lb.	boneless pike filets
½ lb.	boneless salmon trimmings
3	whole eggs
2 cups	heavy cream
	minced dill to taste

Caviar Butter Sauce

½ cup	white wine
½ cup	cider vinegar
½ cup	heavy cream
1 lb.	butter (unsalted)
3 Tbsp.	American caviar

Method: Combine the wine and vinegar. Reduce by boiling until almost dry. Add cream and reduce by one-third. Slowly whip in butter over constant low heat. Add caviar at the last minute. Adjust seasoning.

#75

Personnel Profiles

Many organizations produce a company brochure which provides information on the history of the firm, the business philosophy that guides everyday practices within the company, the types of business activities engaged in by the firm and so forth. It is also quite common for such a brochure to include some biographical sketches of personnel through which the firm attempts to set forth an image of "just plain, happy and dedicated good folks looking to serve you better." Here are personnel profiles for some people in Hypo Thetical, Inc.

☺ **Credit Manager**
Name: Lohn Wranger
College: Skeptical U.
Hobby: Coin collecting
Lohn has been with us for 27 years, starting out as credit manager. Lohn's favorite saying is, "I simply don't believe it."

☺ **Accounts Payable Manager**
Name: Bill Mhee
College: Pokey Tech
Hobby: President of the local chapter of the Procrastinators' Club
Bill has been with us for 43 minutes. He has previous experience as a hobo. Bill's favorite saying is, "I can't understand why you haven't received it yet."

☺ **V.P.—Sales**
Name: Will Cahl
College: Razzledazzle U.
Hobby: Golf (miniature)
Will recently joined us after having been named member of the year by the National Somnolence League. Will's favorite saying is, "If I can sell them, anybody can sell them." Will has previous experience as a mummy.

☺ **V.P.—Human Resources**
Name: Weva Gotcha
College: Giveaway Tech.
Hobby: Dart throwing
Weva has been with us for six years during which time she has held 24 positions in our company. She has previous experience as a shepherdess. Weva's favorite saying is, "There, there, it will be all right."

☺ **Internal Auditor**
Name: C.A. Sleuth
College: Ketchum Institute
Hobby: Travelling
C.A. has been with us for six months during which time he completed 83 major audits and one expense report. He has previous experience as a spy. His favorite saying is, "Okay, everybody, 'fess up."

☺ **Executive Secretary**
Name: Fifi LaFlame
College: Pyro Tech.
Hobby: Whistling
Fifi has been with us for three days. She holds a company typing record at one-third of a word per minute. Her favorite saying is, "Uh, how do you spell that?"

☺ **V.P.—Operations**
Name: Ira Mixxup
College: Clown Junior College
Hobby: Doing picture puzzles
Ira is well known by our employees and by thousands of our former employees. He has had previous experience as a hermit. Ira's favorite saying is, "Organized! Yes! Soon! We must get!"

☺ **V.P.—Administration**
Name: Shirley Blocket
College: U. of Redtape
Hobby: Stamp collecting
Shirley has been with the company for three years and has occupied her current position for five years. She has previous experience as a pencil sharpener. Her favorite saying is, "We need a form for that."

☺ **Company Pilot**
Name: Skye Bleu
College: Yonder U.
Hobby: Astronomy
Skye is the longest-tenured employee in the company—63 years. He is looking forward to the purchase of our first plane. He has previous experience as a frogman. His favorite saying is, "Where's my cane?"

☺ **Treasurer**
Name: Penny Nichols
College: Accumulate Institute
Hobby: Playing Monopoly
Penny has been with us for nine years, having started as a meter maid in our parking lot. She has been responsible for our diversification program into insolvency, bankruptcy and counterfeiting. Her favorite saying is, "A penny saved is a penny for Penny's pocket."

☺ **V.P.—Public Relations**
Name: Phil A. Flask
College: Charm U.
Hobby: Dancing
Phil has been with the company for 18 months, having started as a window washer. He has had previous experience as a monk. Phil's favorite saying is, "I wouldn't say that, would you?"

☺ **Outplacement Director**
Name: Johnny Flush
College: Watershed Tech.
Hobby: Weight-lifting
Johnny is a recycled employee; he is now back for his seventh tour of duty. He has had previous experience as a human cannonball. Johnny's favorite saying is, "Where's the door?"

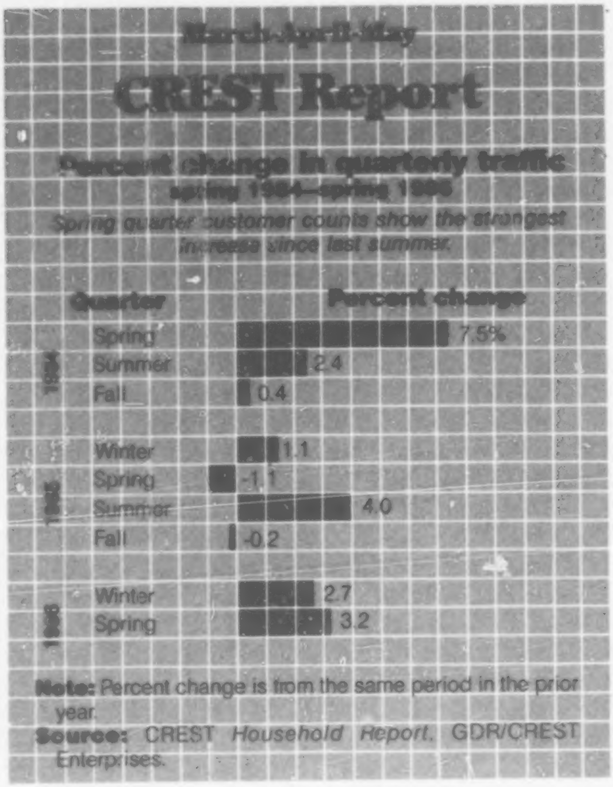
☺ **V.P.—Finance**
Name: Ima Innocent
College: Leavenworth U.
Hobby: Making license plates
Ima is currently on leave of absence from the company to perform government service. He has had prior experience as a magician. Ima's favorite saying is, "I take the Fifth."

☺ **Recruiting Director**
Name: Ura Dahl
College: Magnet Tech.
Hobby: Photography
Ura has been with the company for 56 years, coming to us after a brief career as a professional wrestler. Ura's favorite saying is, "Why in the world would anybody want to work here?"

☺ **Mailperson**
Name: Speshell Handling
College: Pikup Community College
Hobby: Writing
Speshell has been with us for 71 late-mail deliveries. He has had previous experience as a horserace starter. His favorite saying is, "If I didn't deliver it, then you didn't send it."

☺ **Chief Executive Officer**
Name: Stirling Silver
College: Egotrip U.
Hobby: Spoon collector
Stirling is our CEO, a position that was created for him four years ago by his grandfather. Stirling has had prior business experience founding a snowplow service in Key West, FL, and a landscape architecture firm in the Tundra. His favorite saying is, "You're fired."

Fisher's Law #75. When you profile your organization, remember that your people *are* your organization.



March-April-May

CREST Report

Percent change in quarterly traffic spring 1984—spring 1986

Spring quarter customer counts show the strongest increase since last summer.

Note: Percent change is from the same period in the prior year.
Source: CREST *Household Report*, GDR/CREST Enterprises.

Spring quarter traffic up 3.2 percent

Customer counts at the nation's restaurants rose 3.2 percent during the spring quarter following a 2.7 percent increase in the winter months. This represents the strongest increase for a single quarter since last summer, and the strongest performance for two consecutive quarters since the spring and summer of 1984.

Vacation travel is expected to boost summer traffic so the industry should experience a third consecutive quarter of growth at close to 3.0 percent or better.

Industry summary

□ **Customer traffic** rose 3.2 percent this spring. Breakfast customer counts were unchanged from the previous quarter, but lunch traffic rose 1.9 percent. In addition, the dinner period posted a strong 5.7 percent increase in customer counts.

□ **Sales** during the spring quarter advanced 2.8 percent due to the increase in customer traffic. Sales at all three meal periods rose, with lunch making the biggest gain, up 4.8 percent.

□ **Visit frequency,** the number of times households visited restaurants, was down during the spring quarter, falling 2.0 percent. However, the number of households eating out at a restaurant was up 0.8 percent.

□ **Average check size** slipped a slight 0.3 percent, from $3.45 in the spring quarter of 1985 to $3.44 this year.

□ **Use of promotions** continued to rise, posting a 10.1 percent increase. Promotions were used this spring on 12.2 percent of all occasions.

Quick service restaurants

□ **Customer traffic** rose a healthy 5.5 percent between March and May of this year. Substantial increases in customer counts at Mexican restaurants (up 11.5 percent) and pizza places (up 19.2 percent) helped boost overall performance.

□ **Sales** were up 6.9 percent for this segment in response to higher customer counts.

□ **Visit frequency** edged down 0.9 percent. However, penetration, the proportion of households eating out at least once during the spring quarter, advanced 1.7 percent.

□ **Average check size** climbed 1.2 percent to $2.44.

□ **Use of promotions** jumped 11.9 percent this spring. Customers used promotions on 14.0 percent of all quick service occasions versus 12.5 percent during the spring of 1985.

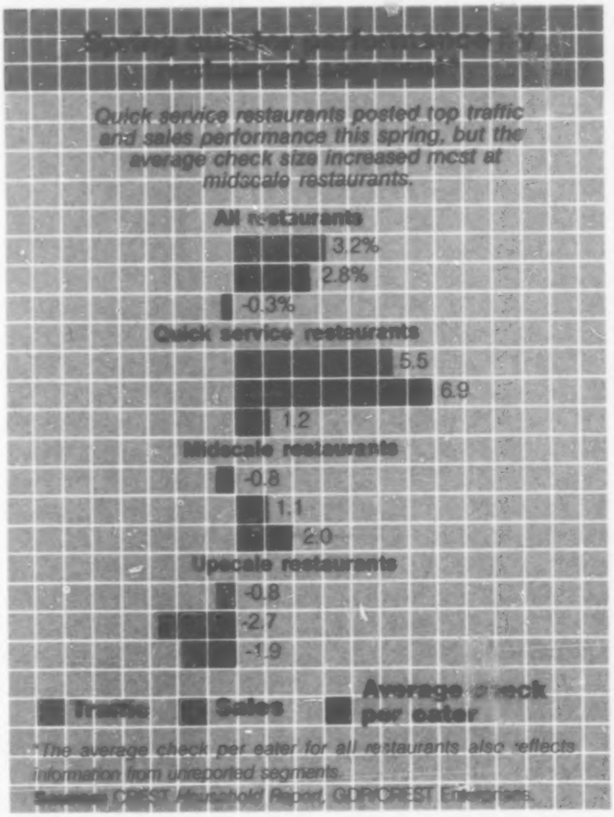
Midscale restaurants

□ **Customer traffic** edged down 0.8 percent this spring, reflecting declining customer counts at cafeterias, hotel restaurants and seafood/fish places. Gains were recorded by midscale Asian restaurants—up an impressive 27.3 percent, family steak restaurants—up 22.2 percent and Mexican establishments, which posted a 19.0 percent increase in traffic.

□ **Sales** at midscale restaurants advanced 1.1 percent, in spite of declining customer counts.

□ **Visit frequency** was off 3.6 percent, and the proportion of households dining at midscale restaurants fell 1.5 percent.

□ **Average check size** was $4.17 during the spring



Spring quarter performance by restaurant segment

Quick service restaurants posted top traffic and sales performance this spring, but the average check size increased most at midscale restaurants.

*The average check per eater for all restaurants also reflects information from unreported segments.
Source: CREST *Household Report*, GDR/CREST Enterprises.

quarter—a 2.0 percent increase over the previous year.

☐ **Promotions** were used at midscale restaurants on 9.2 percent of all occasions, reflecting a 5.3 percent increase over the spring quarter of 1985.

Upscale restaurants

☐ **Customer traffic** at upscale restaurant fell 0.8 percent due to declining customer counts at upscale barbecue restaurants (down 25.2 percent) and specialty steak restaurants (down 18.1 percent). Asian restaurants posted a very healthy 10.3 percent increase, reflecting the growing consumer interest in ethnic cuisines.

☐ **Sales** dropped 2.7 percent during the spring quarter in response to lower customer counts.

☐ **Visit frequency** was down 2.8 percent, coinciding with a 1.1 percent drop in penetration.

☐ **Average check size** slipped 1.9 percent to $8.73. In comparison, average check size was $8.90 in the spring quarter of 1985.

☐ **Use of promotions** rose a slight 1.1 percent over last year. During the spring months, promotions were used by customers on 9.5 percent of all occasions.

Editor's note: *CREST has changed its procedures for processing some of the diary information that it collects. A new "Casual Dining" segment has been added to the upscale segment. Included in this category is information for many eateries which were previously classified as midscale specialty or family style restaurants. These changes may affect the comparability of 1986 spring quarter data to that of 1985's spring quarter, particularly the increases or decreases in midscale and upscale traffic, sales and average check size.*

Who spends what for restaurant meals

Who is spending the most for meals eaten away from home? And how much are they spending? These questions, important to restaurateurs operating in an increasingly competitive environment, are examined in this article.

American households are spending more on restaurant meals. Between 1980 and 1984, the amount spent per week for meals and snacks eaten away from home jumped 31 percent from $15.77 to $20.63. During this period, increases in expenditures on restaurant meals outdistanced menu-price inflation as measured by the Consumer Price Index (CPI) for food away from home. Therefore, spending for restaurant meals increased in both current and real dollar terms during the four-year period.

According to the *Consumer Expenditure Survey,** in 1984 households spent, on average, $57.71 per week for all food. A substantial 36 percent of that total weekly budget was allocated to food away from home.** By comparison, in 1980 households allocated 32 percent of their food budgets to dining out. The amount spent eating out varies, often substantially, by the demographic characteristics of households.

Amount spent increases as income rises

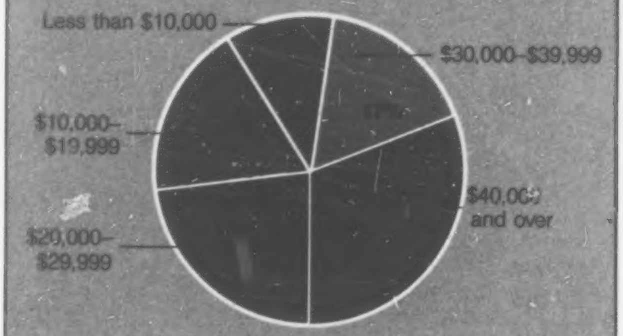
The level of household income has a definite effect on the amount of money spent for restaurant meals. The dollar amount allocated to food away from home, the proportion of the total food budget it accounts for and per capita expenditures all increased as household income increased.

The 1984 *Consumer Expenditure Survey* shows that households with annual incomes of $40,000 or more spent the most per week on dining out—$41.56, about $20.00 above the average. Expenditures for restaurant meals accounted for 43 percent of their weekly food budgets at $12.99 per person—the largest amount among all income levels.

Households with incomes between $30,000 and $39,000 a year spent, on average, $29.20 per week on restaurant meals or 38 percent of their weekly food budgets. Households with incomes of $20,000 to $29,999 a year allocated a

Share of total spending for food away from home by household income

Upper-income households spend the largest share of food-away-from-home dollars



Source: *Consumer Expenditure Survey,* 1984; Bureau of Labor Statistics, June 1986.

**Since 1980, the Bureau of Labor Statistics (BLS) has used the* Consumer Expenditure Survey *to track annual consumer expenditures. (Prior to 1980 the survey was conducted every 10 years.) The results reported here are from the diary portion of the 1984 survey, which was kept by more than 5,000 consumer households for two consecutive, one-week periods.*

The diaries collected information about household expenditures for small and/or frequently purchased items, such as food, beverages, tobacco and personal-care products. Expenditures incurred while traveling away from home were not included in the survey results. Data were collected from both urban and rural households, but results included here are for urban consumers only.

***The National Restaurant Association's estimate of the proportion of the food dollar spent away from home is higher than the figures reported here because it includes all expenditures on meals and snacks away from home, both personal and business. It also includes amounts for food that may be incorporated in airline tickets, hospital bills, school meals, etc. NRA estimates that more than 40 percent of the food dollar is spent away from home.*

similar 37 percent of their weekly food budgets to dining out, which averages $23.59 per week. Households in the $5,000 to $9,999 annual income bracket allocated the smallest proportion of their weekly food budgets to dining out—26 percent. This came to $4.63 per person, the lowest of all income groups.

It is worth noting that households with annual incomes of $30,000 or more made up about 29 percent of all households in the expenditure survey and yet accounted for nearly one-half of the total amount spent by households for meals and snacks away from home. In contrast, households with incomes below $20,000 a year made up 53 percent of the total respondents and accounted for only 29 percent of the overall amount spent per week for restaurant meals.

Clearly, higher-income households represent an important market for restaura-

Weekly expenditures for food away from home by size of household

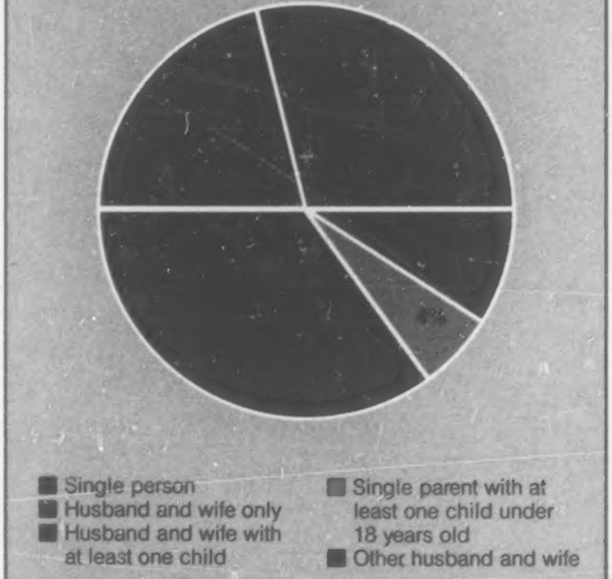
Singles spend more for food away from home than any other household group

Size of household	**Amount spent for food away from home**	**Weekly per capita expenditures**
One person	$14.21	$14.21
Two persons	19.73	9.87
Three persons	23.71	7.90
Four persons	25.49	6.37
Five persons	28.43	5.68
Six (or more) persons	30.62	4.57

Source: *Consumer Expenditure Survey*, 1984; Bureau of Labor Statistics, June 1986

Share of total spending for food away from home by household composition

Families spend the largest share of eating out dollars



Source: *Consumer Expenditure Survey*, 1984; Bureau of Labor Statistics, June 1986.

Weekly expenditures for food away from home

Higher-income households, younger consumers and singles spend most on dining out

Consumer segment	**Amount spent for food away from home**	**Percent of weekly food budget**
Annual household income		
Under $5,000	$ 7.41	30%
$5,000–$9,999	9.27	26
$10,000–$14,999	14.29	30
$15,000–$19,999	18.35	33
$20,000–$29,999	23.59	37
$30,000–$39,999	29.20	38
$40,000 and over	41.56	43
Age of household head		
Under age 25	13.76	43
25 to 34 years	21.39	39
35 to 44 years	26.99	36
45 to 54 years	28.60	36
55 to 64 years	20.44	33
65 to 74 years	15.55	32
75 years and over	8.19	26
Household composition		
Single person(s)	15.13	42
Husband and wife only	21.28	38
• with oldest child under 6 years old	20.73	32
• with oldest child between 6 and 17 years old	29.06	33
• with oldest child over 18 years old	28.85	31
Other husband and wife units	32.71	33
One parent and at least one child under 18 years old	14.35	30

Source: *Consumer Expenditure Survey*, 1984; Bureau of Labor Statistics, June 1986

Expenditures for food away from home by number of wage earners

The more wage earners in a family, the more the family spends on restaurant meals

Household size	Number of wage earners	Average income before taxes	Amount spent for food away from home	Percent of weekly food budget
One person	None	$ 8,346	$ 7.94	32%
One person	One	16,077	17.81	55
2 or more persons	None	12,799	10.16	22
2 or more persons	One	22,422	20.31	31
2 or more persons	Two	32,316	25.48	36
2 or more persons	Three or more	40,139	35.51	36

Source: *Consumer Expenditure Survey,* 1984, Bureau of Labor Statistics, June 1986.

teurs. The good news is their numbers are expected to increase in the future. The challenge is that wealthier households, in general, have higher expectations regarding food and service quality. According to *American Demographics* magazine, by 1995 one-half of all families will earn at least $30,000 per year, and another one-fifth will have annual incomes of $50,000 or more. (All projected income figures are reported in 1982 constant dollars.)

As the accompanying table shows, the ratio of wage earners to number of household members also affects the amount spent on eating out, partly because it affects the level of household income. Generally, the more wage earners per household, the more money is spent on food away from home.

Smaller households spend the most per person

The amount spent for food away from home also varies by household size and composition. Smaller households tend to spend more per person and a greater share of their total weekly food budgets on eating out than do larger households. In fact, as household size increases, per capita expenditures and the percent of weekly food budgets allocated to dining out decreases.

For 1984, households of just one person spent nearly one-half of their weekly food budgets for restaurant meals or $14.21 per person. Two-person households spent substantially less per person—$9.87, but these households accounted for the greatest share of the away-from-home food dollar—28 percent. Larger households spent less per person, and smaller shares of their weekly food budgets went to dining out.

Similar patterns emerge when looking at household composition and spending for restaurant meals. Single-person households spent the largest proportion of their weekly food budgets on dining out, followed by husband-and-wife-only households. Each of these segments spent approximately 40 percent of their weekly food budgets in restaurants. The addition of a child to a husband-and-wife household decreased both the proportion spent and per capita spending on dining out.

Smaller households are an especially promising target market for restaurateurs because they spend relatively large portions of their food budgets in restaurants, and they will continue to make up a substantial share of all households in the future. One estimate from *American Demographics* magazine suggests that the number of single households will grow to 30 million by 1995, a 52 percent increase over 1983. The number of married couples will fluctuate during the next 10 years, but the U.S. Census Bureau forecasts married couples will continue to account for about one-half of all households through 1995.

Although smaller households without children account for the greatest share of total spending for restaurant meals, operators will not want to lose sight of families. Currently they account for a 40 percent share of expenditures for food away from home, and their numbers are growing. Many of these households with children will be dual-income families due to the increasing incidence of working mothers. And many will also be older and more affluent as many couples postpone childbirth and become parents at later ages. These older parents are less likely to dramatically alter their lifestyles after the birth of a child. They are likely to take their child or children out to eat with them. Restaurateurs may want to explore creative ways to attract these families.

Spending varies with age groups

Households headed by persons under 25 years of age spent 43 percent of their total weekly food budgets on meals and snacks away from home, the largest proportion among all age groups. In comparison, older households, those headed by persons aged 65 and over, spent the smallest proportion per week. Households headed by persons between 45 and 54 years of age tended to spend a smaller proportion of their weekly food expenditures on dining out than their younger counterparts; however, in general they spent the most in actual dollars.

In the next decade, restaurant sales will not be boosted by rising numbers of free-spending young adults as they have in the past. Age projections suggest that restaurateurs will be challenged to encourage consumers to continue their established restaurant spending patterns as they grow older.

American Demographics magazine predicts the number of households headed by persons under the age of 25 will remain relatively unchanged over the next 10 years. Traditionally, these younger households, those headed by individuals under age 25, have been an important target market, especially for fast food operators because they tend to allocate a large portion of their food expenditures to eating away from home. Furthermore, the number of these households increased rapidly during the last 10 years. This is not expected to be true in the future. Rather, the largest increase is expected for households headed by persons between 35 and 44 years of age. The number of these households will jump 31 percent by 1995 largely due to the aging of the baby-boom generation.

In planning for the future, restaurateurs may want to allocate a greater share of their marketing dollars to this age segment, to induce these householders to continue spending a large proportion of their food budgets on dining out.

In recent years, restaurant patrons over the age of 65 have become more common. *Consumer Expenditure Survey* results show older households have been spending an increasing share of their total food budgets on dining out, and a recent CREST report on the senior market found restaurant usage by this segment was rising at a faster-than-average rate. Many of these older households have the disposable income to spend for restaurant meals due to better retirement planning and few large financial obligations. Furthermore, because they are generally no longer active participants in the labor force, they have more time to pursue leisure activities, including dining in restaurants.

This market segment presents an interesting challenge for many restaurateurs because it is markedly different from younger segments. In general, older customers tend to eat smaller portions and, due to restrictive diets, are often more selective in their food choices than younger patrons. They are less likely to try new restaurant concepts and/or unusual menu fare. Unlike busy younger customers, convenience is rarely a top priority for seniors when they dine out. According to *American Demographics* magazine, the number of elderly households should increase 18 percent between 1985 and 1995 to total about 22 million.

Demographic trends will affect industry

The 1984 *Consumer Expenditure Survey* results provide valuable information about the spending patterns of American households for restaurant meals. This information is particularly useful when considered in relation to demographic changes presently occurring and likely to occur in the future. Specifically, the results presented here suggest that foodservice operators may enjoy increased consumer patronage, as many of the demographic segments who spend the most eating out are among those most likely to increase in number in the future. Operators will be challenged to meet the needs of more single households, more affluent consumers, more consumers between 35 and 44 years of age, more elderly consumers, more two-income households and more parents with small children. How well the industry adapts to these demographic changes may influence its future success.

—*Kate Conroy*

Restaurant traffic, sales withstand popularity of microwaves, VCRs

Microwave oven and videocassette recorder (VCR) ownership has had little overall effect on restaurant patronage or sales. In the long run, however, microwave ownership may result in a change in types of restaurants visited and VCR ownership may result in increased restaurant patronage, especially for takeout.

The market for microwave ovens and videocassette recorders (VCRs) is hopping. According to CREST household data, one-third of all households owned a microwave oven in 1984. By 1985, the proportion jumped to 41 percent. A recent Gallup survey reveals that the trend continues. In the spring quarter of 1986, nearly six out of 10 households owned a microwave oven. CREST data also reveal that VCR ownership is climbing rapidly. In 1985, 19 percent of all households owned a VCR versus a smaller 11 percent the year before.

This strong growth has been the cause of concern among those who believe that the increase in the number of consumers owning microwave ovens and VCRs is having a negative effect on restaurant traffic and sales. A recent research study by CREST,* comparing

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**Each year CREST panelists update a questionnaire which includes information on household members, such as occupation, income and education. In addition, the questionnaire contains a section on appliance and equipment ownership. This allows CREST to compare restaurant usage for microwave oven and VCR owners to that of non-owners.*

For the study referenced here, CREST used the household data base for 1984 and 1985. Only those households that participated on the panel both years were selected so that the change in restaurant usage after acquiring a microwave oven or VCR could be tracked. Nine distinct buying groups were identified for comparative analysis:

- ☐ *Microwave oven owners*
- ☐ *VCR owners*
- ☐ *Owners of both VCRs and microwave ovens*
- ☐ *Balanced non-microwave oven owners***
- ☐ *Balanced non-VCR owners***
- ☐ *Balanced non-owners of both microwave ovens and VCRs**
- ☐ *All non-microwave oven owners*
- ☐ *All non-VCR owners*
- ☐ *All non-owners of either microwave ovens or VCRs.*

***The groups of balanced non-owners were developed by matching the demographic profile of the owning households in order to compare the owning household's restaurant behavior to a group of non-owning households who are similar to them demographically. Balancing was based on household income, metro area size, age of household head and presence of children.*

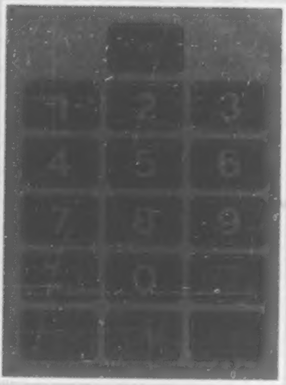
Who owns microwave ovens?
spring 1986

Microwave ovens are most popular with consumers between the ages of 35 and 49 whose households include three or four members and an income of at least $30,000 a year.

Demographic characteristics	Percent of households
Total ownership	**57.0%**
Sex	
• Male	58.9
• Female	55.4
Age	
• *18–24*	*56.2*
• *25–34*	*56.3*
• *35–49*	*66.1*
• *50–64*	*55.8*
• *65+*	*45.4*
Marital status	
• Married	63.5
• Not married	46.1
Household size	
• One	41.2
• Two	57.8
• Three or four	62.6
• Five or more	59.4
Education	
• Less than high school	42.8
• High school graduate	60.8
• College graduate	61.6
Income	
• Under $15,000	39.6
• $15,000–$19,999	52.8
• $20,000–$29,999	60.5
• $30,000+	72.2
Employment of women	
• Full time	58.5
• Part time	59.7
• Not employed	51.1
Restaurant visit frequency	
• None	41.1
• One time a week	60.3
• Two or three times a week	60.5
• Four or more times a week	58.6

Source: Gallup Organization, Spring 1986.

In the long run, the microwave oven may replace the need for additional convenience meals at quick service restaurants.



restaurant patronage of microwave oven and VCR owners with that of all nonowners and a group of demographically matched nonowners, reveals this has not been the case. Taken together, microwave oven and VCR ownership appears to have had little overall effect on total restaurant patronage or sales.

Who owns microwave ovens and VCRs?

Microwave oven and VCR owners typically

☐ **are between 35 and 49 years old.** In 1985, half of the consumers in this age group owned a microwave oven, and 28 percent had a VCR. This is well above the national level of microwave oven and VCR ownership, 41 percent and 19 percent, respectively.

☐ **have incomes over $40,000 a year.** In 1985, nearly 60 percent of the households with incomes over $40,000 had a microwave oven, and 37 percent owned a videocassette recorder. In comparison, a smaller 27 percent of the households earning less than $20,000 owned a microwave oven in 1985 and only 8 percent possessed a VCR.

☐ **are non-single households,** such as married couples and families. In particular, 57 percent of the households in which both spouses work owned a microwave oven last year, while 28 percent owned a VCR. On the other hand, only 23 percent of the single households owned a microwave oven in 1985, and 14 percent had a VCR.

An ongoing Gallup survey on microwave oven ownership confirms the CREST information. In the spring of 1986, not only did the groups mentioned by CREST have an above-average incidence of microwave oven ownership but also included were consumers with various incomes between $30,000 and $40,000 a year, college graduates and women who work full or part-time. Moreover, the Gallup survey reveals that microwave oven ownership is now increasingly penetrating other demographic groups, including singles, Americans 65 years old and older and households earning less than $20,000 a year.

Influence of new ownership

Contrary to popular belief, new microwave oven and VCR owners do not cut back their restaurant visits, according to the CREST study. In 1985 total restaurant visits for consumers who purchased a videocassette recorder during that year were virtually unchanged from 1984. New microwave oven owners, however, actually increased their restaurant visits in 1985—up 1.8 percent.

Other notable influences:

☐ **New microwave oven owners patronize upscale establishments more than does the average household.** In 1985, customer counts at these establishments increased 3.0 percent for new microwave oven owners, while traffic for all households was unchanged from the prior year. On the other hand, new VCR owners reduced their visits to white tablecloth restaurants, down 3.0 percent, possibly to take advantage of their home entertainment equipment.

☐ **New VCR owners increased their orders for takeout foods to be eaten at home.** In 1985, orders for food to be eaten at home increased 2.0 percent for new VCR owners—the same gain recorded for all households. In contrast, new microwave oven owners posted a 2.0 percent decline in orders of food for home consumption.

☐ **Dinner traffic increased for new VCR owners**, advancing 2.0 percent in 1985. In comparison, customer counts at the evening meal were unchanged for new microwave oven owners and all households. Fueling growth in dinner traffic for new VCR owners was a gain in off-premises dinner occasions on weekdays and weekends, up 8.0 percent and 5.0 percent, respectively.

Long-term restaurant habits vary

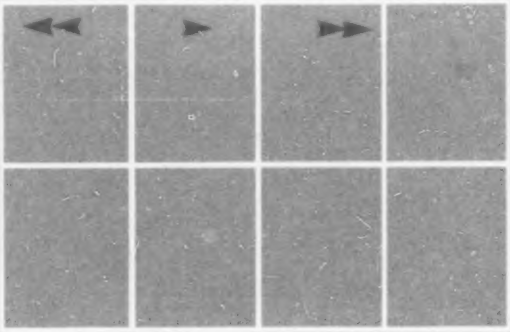
In contrast to the new microwave oven and VCR owners, consumers who have owned their equipment for two or more years have somewhat different restaurant usage

Microwave oven and VCR ownership
1985

Nearly half of the population owns a microwave oven or VCR

Own microwave only	28%
Own VCR only	6%
Own both	13%
Own neither	53%
Total	**100%**

Source: CREST *Household Report,* 1985.



Longtime VCR owners are likely to increase overall restaurant usage.

habits. For example, customers who have owned a microwave oven for some time

☐ **do not step up restaurant visits.** In 1985, restaurant traffic for longtime microwave oven owners was unchanged from the prior year. In contrast, the group of demographically matched non-microwave oven owners increased their restaurant visits, advancing 1.0 percent, while new owners posted a 1.8 percent gain.

☐ **Furthermore, the group of longtime owners is likely to cut back visits to quick service restaurants and increase usage of upscale establishments.** In 1985, these consumers posted a 0.3 percent advance in traffic at fast food restaurants, versus a greater 3.7 percent gain for matched non-microwave oven owners and a 3.0 percent jump for new microwave oven owners.

This indicates that, in the long run, the microwave oven may replace the need for additional convenience meals at quick service restaurants. At the same time, consumers who have owned their microwave oven for more than two years reported a 3.3 percent increase in upscale visits. This compares with a 3.0 percent gain in visits for new owners and a 4.1 percent decline for demographically matched non-owners. Thus, microwave oven ownership seems to affect the mix of restaurants patronized by consumers.

Longtime VCR owners are likely to increase restaurant usage overall. This group posted a 1.6 percent increase in restaurant visits in 1985, while traffic declined 0.9 percent for the group of demographically matched VCR non-owners and declined 0.1 percent for new VCR owners.

Consumers who have owned a VCR for at least two years also tend to increase usage of fast food and upscale establishments. Traffic at quick service restaurants climbed 3.1 percent for the longtime VCR owners in 1985 versus a smaller 2.0 percent gain for new VCR owners and a slight 0.2 percent dip for the matched non-owners. Traffic at upscale establishments advanced 2.4 percent for VCR owners of more than two years, while customer counts inched up 0.7 percent for the comparable group of VCR non-owners. It fell 3.0 percent for new owners.

Operators should target new owners

In general, microwave and VCR ownership had little effect on overall industry sales and traffic during the recent sluggish growth period. In the long run, however, microwave ownership may result in a change in types of restaurants visited, and VCR ownership seems to promote increased restaurant visits.

—Susan Adelman

How consumers use microwaves

Recent studies reveal that consumers use microwave ovens to:

- ☐ thaw frozen foods
- ☐ prepare frozen gourmet dinners
- ☐ reheat leftovers
- ☐ warm beverages, such as coffee and tea
- ☐ prepare snack foods, such as popcorn
- ☐ cook vegetables and main dishes and
- ☐ bake breads and desserts.

Wholesale food prices begin to rise

This article highlights the forecast changes for the commodities used most by restaurateurs, as of August 1, 1986. This information may prove valuable in making purchasing decisions because it allows operators to better anticipate future supply levels and food costs.

Wholesale food prices are expected to rise moderately through the rest of the year. For the first six months of 1986, the Producer Price Index (PPI) for all food has fallen 0.8 percent from the same period in 1985. However, the PPI edged up 0.4 percent in May and advanced 1.1 percent in June, marking the first increases since January 1985. The National Restaurant Association's food cost index, which measures food costs for restaurateurs, has followed a similar pattern. For the year to date, the index has declined 0.6 percent, but rose 1.1 percent in May and 3.6 percent in June.

Why after more than a year of declining prices are wholesale costs beginning to rise? Shrinking production of beef, pork and dairy products is beginning to drive up prices for these commodities, and the sluggish pace of the economy has had a dampening effect on domestic demand. The weather is also contributing. The heat and dryness that have persisted in the Southeast are expected to push prices of some commodities up this fall and winter.

Although overall wholesale prices should rise later this year, fluctuations in prices and production levels will vary for different types of commodities.

Beef output declines

Declining inventories and sluggish domestic demand are slowing beef production. Supplies were up slightly over 1985 levels early this year, but have already started to fall. Beef prices were somewhat lower than they were in 1985. However, as production levels dip, prices will rise.

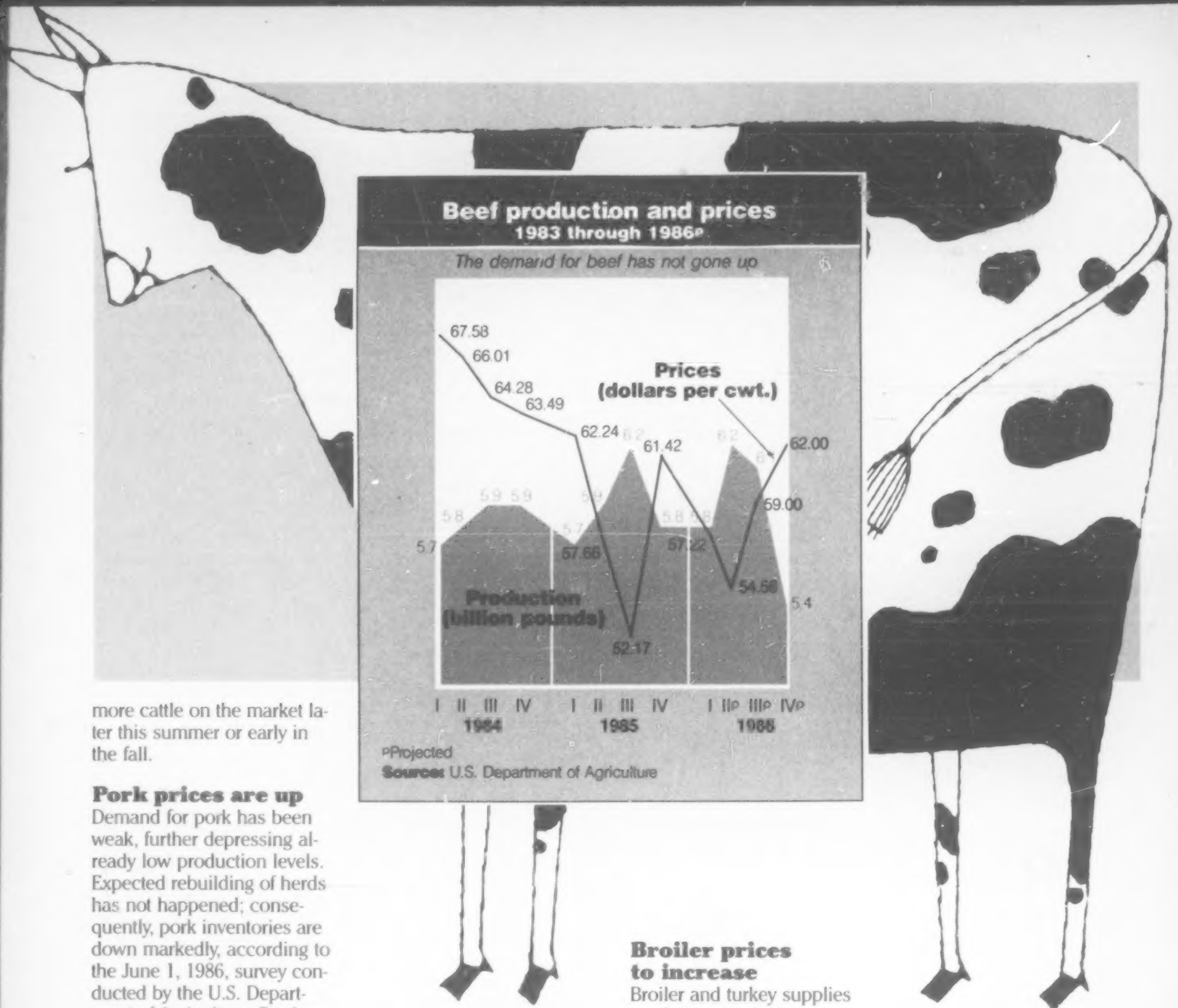
Beef highlights

☐ Producers are expected to supply 23.5 billion pounds of beef this year, a 0.4 percent decline from 1985.

☐ Beef supplies in the first half of 1986 totaled 12.0 billion pounds—3.4 percent higher than in the previous year. Production in the third and fourth quarters is forecast to fall 4.2 percent below 1985 levels.

☐ Beef prices were lower than in 1985—down 8.0 percent in the first quarter and 5.3 percent in the second. By the third quarter, the trend will be reversed, with beef prices expected to climb to about $59.00 per cwt.—a substantial increase over the $52.17 per cwt. recorded in the same period in 1985. Projections for the fourth quarter are for prices to range between $61.00 and $65.00 per cwt.

☐ The drought in the Southeast may increase production levels. Lack of feed may force farmers to place



Beef production and prices
1983 through 1986ᵖ

The demand for beef has not gone up

ᵖProjected

Source: U.S. Department of Agriculture

more cattle on the market later this summer or early in the fall.

Pork prices are up

Demand for pork has been weak, further depressing already low production levels. Expected rebuilding of herds has not happened; consequently, pork inventories are down markedly, according to the June 1, 1986, survey conducted by the U.S. Department of Agriculture. Production levels for 1986 are not expected to reach those recorded in 1985. Therefore, prices will advance through the rest of the year.

Pork highlights

□ Total pork production in 1986 may be 3.9 percent below the 14.7 billion pounds produced in 1985.

□ In the first half of 1985, pork supplies reached 7.3 billion pounds. Supplies dropped to 7.2 billion pounds in the first half of 1986—a 1.4 percent drop. During the second half of 1986, production is expected to slide to 7.0 billion pounds.

□ The price of pork fell in the first three months of 1986—down 8.6 percent. However, the wholesale price shot up 9.4 percent between April and June, rising to $47.13 per cwt.—well above the $43.09 per cwt. recorded in 1985. Estimates for the third quarter range from $54.00 to $58.00 per cwt., and by the close of the year the price of pork should be running between $52.00 and $56.00 per cwt. In contrast, the price of pork was $43.62 per cwt. in the third quarter of 1985 and $45.05 per cwt. in the fourth.

□ Small inventories may force production levels even lower in 1987. Consequently, wholesale pork prices may continue to move higher.

Broiler prices to increase

Broiler and turkey supplies are forecast to increase through the rest of 1986 and into 1987. Strong demand for broilers will cause producers to expand production to the limit of available facilities. The drought in the Southeast this summer may take its toll, however, because six of the top 10 chicken producing states are found in the Southern region of the country. Consequently, broiler prices may be forced higher than expected in the months ahead.

Poultry highlights

□ Broiler production in the first half of 1986 totaled 6.9 billion pounds, 3.0 percent higher than the same period a year ago.

□ In the third quarter, broiler production is expected to advance between 4.0 and 5.0 percent over the 1985 level of 3.5 billion pounds. In the final quarter, production is forecast to increase 6.6 percent to about 3.6 billion pounds.

□ Broiler prices were slightly below 1985 levels in the first quarter of 1986, 50.3 cents a pound versus 51.5 cents a pound. Prices began going up in the second quarter, rising to 54.3 cents a pound—a 7.1 percent increase over 1985. In the third quarter, prices are expected to range between 58.0 and 62.0 cents a pound, well above the 50.9 cents a pound recorded during the third quarter of 1985. As demand falls seasonally in the final quarter, prices are expected to return to second-quarter levels, closing at around 55.0 cents a pound—9.6 percent higher than at the end of 1985.

□ Turkey production in the first half of 1986 was 1.2 billion pounds versus 1.1 billion pounds produced during the first six months of 1985. During the second half of the year, production should approximate the 1.7 billion pounds produced during 1985.

□ In the first quarter of the year, turkey prices registered a 10.0 percent decline over the 68.9 cents a pound recorded during 1985. By the second quarter, prices rose to 68.0 cents a pound—4.4 percent above 1985. Turkey prices in the second half of the year should be about the same as in 1985—about 90.0 cents a pound.

Dairy supplies forecast to slip

Dairy producers continued to expand production in the beginning of 1986. However, as the number of dairy cows is reduced through the Dairy Termination Program,* supplies are expected to slip below 1985 levels later this year. Prices of both milk and milk-based products, such as butter and cheese, should edge up as production declines.

The dairy situation in 1987 is expected to mirror that forecast for the second half of 1986. Milk production should continue to fall, and prices should rise, as the number of dairy producers is cut by the Dairy Termination Program. The overall decline in supplies is dependent on how much remaining producers expand production. Strong prices may induce remaining dairy farmers to expand beyond expected levels, thereby cushioning the projected fall in dairy supplies.

Dairy highlights

□ During the first quarter of 1986, 36.2 billion pounds of milk were produced—a 7.4 percent jump over the prior year. Second-quarter production was up 2.7 percent over the 1985 level, rising to 38.5 billion pounds. By the third quarter, dairy supplies are expected to fall to 35.9 billion pounds, representing a 2.5 percent drop over 1985. In the fourth quarter, production should be 3.1 percent lower than in 1985, declining to 34.5 billion pounds.

□ The gains recorded in the first half of 1986 should offset later declines in production so that total milk production in 1986 will be up a slight 1.0 percent.

□ Wholesale milk prices ran below 1985 levels in the first half of the year, 9.5 percent lower in the first quarter and 4.2 percent lower in the second. Prices are forecast to advance in the second half, ranging between $12.10 and $12.30 per cwt. during the third quarter and $13.00 to $13.40 per cwt. in the fourth. The average wholesale price of milk was $12.73 per cwt. in 1985.

The Dairy Termination Program began April 1, 1986, and will run through August 31, 1987. Instituted by the U.S. Department of Agriculture, the program offers cash payments to dairy farmers who agree to sell all their female dairy cattle for slaughter or export. The farmers must also agree to have no ownership interest in either female dairy cattle or milk production for at least five years and must idle all equipment during that time. USDA accepted bids from 13,988 dairy producers, who accounted for about 8.7 percent of total U.S. milk production in 1985.

Percent change in wholesale commodity prices

NRA's food cost index did not change during the first 6 months of 1986

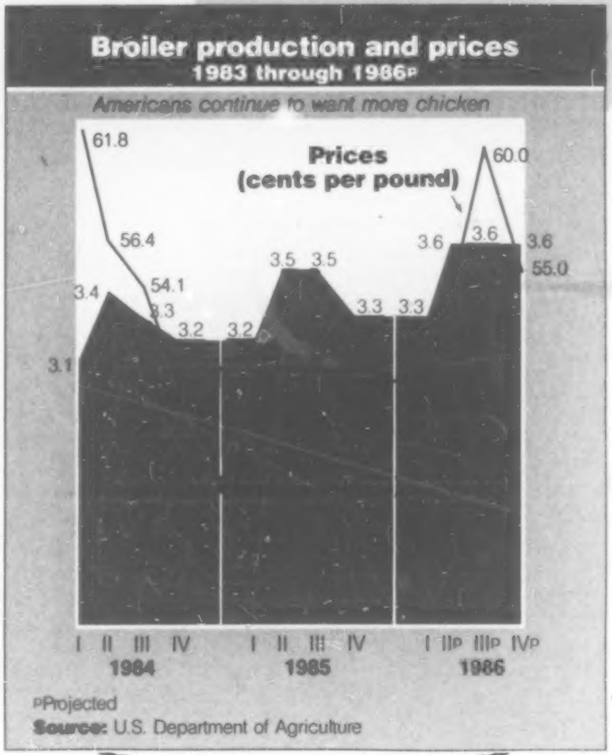
	1978 to 1979	**1979 to 1980**	**1980 to 1981**	**1981 to 1982**	**1982 to 1983**	**1983 to 1984**	**1984 to 1985**	**6 mos. 1985 to 6 mos. 1986**
Bakery products	10.0%	11.7%	8.3%	3.3%	3.2%	4.8%	4.7%	3.8%
Flour & cereal	12.4	12.3	−7.0	−5.3	1.1	1.8	0.6	−1.2
Beef & veal	24.7	3.2	−5.0	−0.8	−3.3	nc*	−7.6	−5.8
Other meats	−2.8	−2.7	7.6	16.9	−8.7	−0.4	−1.0	2.8
Poultry & eggs	0.7	1.0	2.4	−6.7	3.2	12.0	−8.1	1.6
Fish & shellfish	22.6	−3.2	1.8	11.8	6.3	11.5	1.7	7.1
Sugar & sweets	6.9	35.4	−2.9	−2.6	5.0	2.4	−1.1	1.0
Vegetables	2.0	7.5	22.6	−4.4	1.2	8.4	−7.2	−6.0
Fruits & juices	8.7	4.2	4.1	2.9	2.9	6.6	0.6	−4.5
Beverages	0.8	0.8	−2.3	4.5	1.3	5.2	1.6	15.2
Dairy products	12.1	12.1	6.4	1.3	0.6	3.6	3.9	−2.4
Fats & oils	6.4	6.4	2.1	−1.4	8.8	21.0	−6.2	−18.8
NRA food cost index	**12.2%**	**5.0%**	**3.0%**	**2.5%**	**0.7%**	**5.0%**	**−2.2%[2]**	**nc***
All food producer price index[1]	**9.5%**	**8.0%**	**3.1%**	**1.1%**	**1.1%**	**4.8%**	**−1.8%**	**−0.8%**

*nc = no change

[1] Includes all processed foods (except soft drinks, alcoholic beverages and animal feeds) plus eggs and fresh and dried-fruits and vegetables.

[2] In December 1985, the index for flavored syrup was rebased to 1985 = 100. As a result, NRA's monthly Food Cost Index had to be revised in order to compare 1986 figures to 1985.

Sources: *Producer Price Index*, Bureau of Labor Statistics; National Restaurant Association.



Broiler production and prices
1983 through 1986P

Americans continue to want more chicken

PProjected
Source: U.S. Department of Agriculture

Egg production up

Egg suppliers are adding additional pullets to their stocks; therefore, production should expand modestly during the rest of 1986 and the first half of 1987. A possible slowdown is forecast for late 1987. Prices are expected to remain relatively stable during the remaining months of 1986 and into 1987.

Correction

The table on page 37 of the June/July 1986 issue of this magazine inaccurately reports that 23 percent of the adult population are "weight conscious consumers." Actually, the figure is 28 percent. The table showing "characteristics of health and nutrition consumer groups," should read as follows:

	Percent of adults
Traditional Consumers	37%
Weight-Conscious Consumers	28%
Health-Conscious Consumers	19%
Uncommitted Consumers	12%

Egg highlights

□ During 1986, total egg production is forecast to reach 5.7 billion dozen, approximating the amount produced during 1985.

□ In the first half of 1986, egg production reached 2.8 billion dozen. It is expected to total 2.9 billion dozen during the second half.

□ Egg prices were 74.2 cents a dozen in the first quarter of this year, but they fell to 63.4 cents a dozen by the second quarter. Between July and December prices are expected to approximate last year's levels, running around 68.0 cents a dozen in the third quarter and 70.0 cents a dozen in the fourth.

Estimates of noncitrus fruit crops dip

Crop estimates for noncitrus fruits are down for the months ahead, according to U.S. Department of Agriculture economist Ben Huang. As a result, prices may push up. Citrus supplies are expected to remain stable, although crop estimates for the next growing season have not yet been calculated.

Fruit highlights

□ Total noncitrus fruit production for the 1985/1986 season is forecast to reach 12.3 million tons—about a one percent decline over the previous year.

□ Production of apples and winter pears is expected to decline in late 1986. Supplies of winter pears may fall as much as 11.0 percent over the previous year's level.

□ Prices of apples and winter pears should increase in the second half of the year, but prices for grapes may fall due to relatively high production levels.

□ Higher citrus production levels, up nearly 7.6 percent over the previous season, are expected to keep prices down.

Vegetable prices may go up

Continued higher than average import levels have weakened vegetable prices, causing producers to cut back on growing plans. Imports, especially those from Mexico, should slow in the remaining months of 1986. Combined with lower domestic production, this may drive prices up.

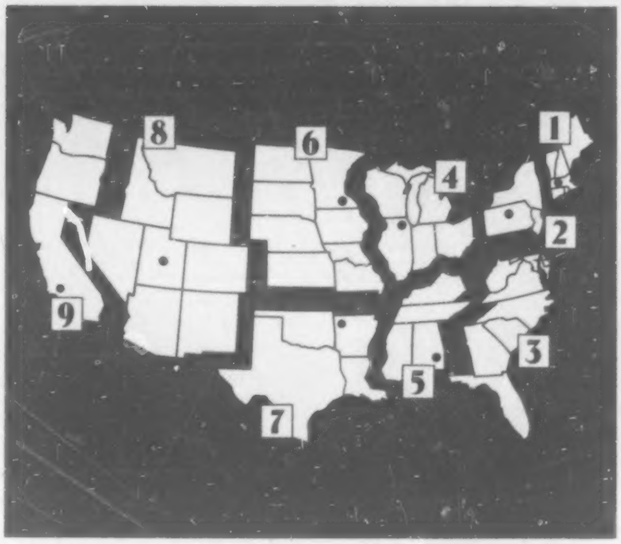
Vegetable highlights

□ Commercial vegetable production may fall as much as 4.0 percent below the 443 million cwt. produced last year.

□ Prices were down early in 1986, but should rise slightly later this year. Nonetheless, vegetable prices may still be about 8.0 percent below 1985 levels.

□ Total potato output is forecast to be 19.8 million pounds—14.0 percent below 1985 production—despite a projected 6.0 percent increase in the winter harvest yield.

—Kate Conroy



1 NEW ENGLAND

Location: Amherst, MA
NRA member: David McPhee
Operation: The Sub
Profile: Counterservice sub shop
In business: 8 years
Seats: 35
Meals served: Lunch, dinner

Business has been off 10 percent this summer at The Sub, a casual sub shop that caters mostly to students from the local colleges. Manager **David McPhee** says the decline is due to competition from a sub shop that opened in Amherst last year. "But in September, 40,000 students descend on Amherst," he says. "There will be business enough for both of us."

The Sub features—what else?—subs in four different sizes. Steak and cheese is the hands-down favorite, with roast beef and vegetarian—cheese, onions, lettuce, tomato, pickles, peppers and olives—running close behind. Soups and salads are available also, but chili was recently removed from the menu because of low sales.

McPhee focuses his promotions on the nearby University of Massachusetts (UMass) campus to attract student business. At the beginning of each school year, for example, he runs a full-page ad in the UMass phone directory that includes dollars-off coupons.

2 MIDDLE ATLANTIC

Location: Tunkhannock, PA
NRA member: Tina Pickett
Operation: The Fireplace
Profile: Fullservice restaurant
In business: 18 years
Seats: 125
Meals served: Lunch, dinner, Sunday brunch

"We're located in the heart of what New Yorkers and Philadelphians call 'the endless mountains,'" says **Tina Pickett,** owner of The Fireplace. "Therefore, a lot of people from those cities come here on vacation." Pickett says the rural town of Tunkhannock is further bolstered by business from the many large companies that operate plants nearby.

The Fireplace is a rustic establishment, filled with old barn wood, antiques collected by Pickett and two huge fireplaces. The predominantly steak-and-seafood menu is enhanced by gourmet specials, such as Chicken Copenhagen, a hand-breaded, baked chicken filled with a blend of French cheeses. Weekly ethnic specials add an international flavor.

Promotions at The Fireplace are usually sponsored to benefit the surrounding community. Pickett is currently involved in the Tunkhannock "Save the Old Trees" campaign, donating 50 cents from each order at Sunday brunch toward saving the town's old trees.

3 SOUTH ATLANTIC

Location: Rockville, MD
NRA member: Charles Hance
Operation: Gentleman Jim's
Profile: Fullservice restaurant
In business: 15 years
Seats: 60
Meals served: Lunch, dinner

"Businesses of all types are doing great in Rockville," reports **Charles Hance,** the second-generation owner of Gentleman Jim's. And his restaurant is no exception. "We have people lined up at the door seven nights a week," he boasts. In fact, Hance has just opened a second floor at the restaurant to accommodate twice as many customers.

According to Hance, customers are lining up at Gentleman Jim's because of its delicious pizza. "We have the original pizza recipe that was first served at the old Cavalier Restaurant in downtown Washington many years ago," he says. Hance's father brought the recipe out to the suburbs and added sandwiches—65 different kinds—to the menu.

Affordable prices and a casual atmosphere also contribute to the popularity of Gentleman Jim's. So do the friendly employees, many of whom have been with the company a dozen years or more. According to Hance, "Customers feel welcome here because the staff gets to know them."

4 EAST NORTH CENTRAL

Location: Chicago, IL
NRA member: Henry Weiss
Operation: Hemingway's Movable Feast
Profile: Upscale deli
In business: 16 years
Seats: 158
Meals served: Lunch, dinner

Business has been down at Hemingway's Movable Feast because of what company president **Henry Weiss** describes as a "terrible Chicago summer." Hemingway's draws much of its business from a park and a zoo located directly across the street, and this year's combination of excessive rain and heat has kept people away.

Hemingway's aligns itself with its across-the-street neighbors with park benches, plenty of green plants and big picture windows. "We're like a continuation of the park," Weiss says. The menu features a grand total of 180 sandwiches, each with its own original name. The Michigan Avenue, for instance, is a combination of roast beef, turkey, cheese, Spanish onions and Russian dressing.

5 EAST SOUTH CENTRAL

Location: Luvern, AL
NRA member: J. H. Finlayson
Operation: Annie's
Profile: Fullservice restaurant

In business: 6 years
Seats: 80
Meals served: Lunch, dinner

Traffic has picked up on the interstate that runs by Annie's, as lower gas prices and a stabilizing economy lure more people to the beaches in southern Alabama and Florida. As a result, Annie's has been breaking sales records this year, according to owner **Ann Finlayson.** "Customers are beginning to look for us as a landmark on their way south or north," she boasts.

Annie's exterior is highly visible from the road, with dark brown wood highlighted by bright yellow shutters and a bright yellow and brown sign. Inside, the decor creates a "country look" with food to match. Fried catfish, barbecue pork, turnips, black-eyed peas, hush puppies, homemade peach cobbler—these are some of the Southern specialties prepared in Annie's kitchen. Finlayson has discontinued breakfast service and all-you-can-eat dinner specials "in order to concentrate on doing fewer things better rather than trying to do everything."

6 WEST NORTH CENTRAL

Location: St. Paul, MN
NRA member: John Warling
Operation: Blue Horse Restaurant
Profile: Fullservice fine dining
In business: 23 years
Seats: 100
Meals served: Lunch, dinner

According to **Sheila Stuart,** manager of the Blue Horse, business travellers who come through the Twin Cities are more inclined to visit upscale restaurants than they used to be. This trend has meant a steady business for the Blue Horse. "About 70 percent of our business is from out-of-town guests," she reports. "We promote through the convention bureau so out-of-towners know about us."

Local diners also enjoy an afternoon or evening at the Blue Horse, one of the Twin Cities' only four-star restaurants. Tableside preparation is a house specialty, with items such as Steak Dianne, Veal Genoa, Caesar Salad, Bananas Foster and Crepes Elaine all prepared at the table. Fresh seafood flown in daily is also popular.

Although the restaurant relies primarily on word-of-mouth recommendations to attract business, some regular promotions are featured. For instance, customers can lunch at the restaurant on Fridays, then board a luxury coach which transports them to a nearby racetrack. After an afternoon of betting, it's back to the Blue Horse for dinner.

7 WEST SOUTH CENTRAL

Location: Fort Smith, AK
NRA member: Gerald LaRoche
Operation: Calico County Restaurant
Profile: Fullservice restaurant
In business: 2 years
Seats: 180
Meals served: Lunch, dinner

"Business has been great," says **Lance LaRoche,** manager of the Calico County Restaurant. Fort Smith is a medium-sized town surrounded by many other medium-sized towns, so the restaurant has a lot of local business to draw from. In addition, says LaRoche, four nearby hotels are always sending customers Calico County's way.

The front room of the Calico County Restaurant looks like any restaurant kitchen may have looked at the turn of the century. An old gas stove, a gas grill and an antique refrigerator dominate the dining room. But the appliances in Calico County's kitchen are 1980s modern, and they are used to prepare the house specialty—chicken fried steak—as well as catfish, meat loaf, pot roast, other down-home items and any special requests. "If a guest doesn't want skin on his chicken or would rather have his meat grilled rather than dipped in flour, that's no problem," says LaRoche.

8 MOUNTAIN

Location: Richfield, UT
NRA member: Van Madsen
Operation: Slice Em Thin Restaurant
Profile: Fullservice restaurant
In business: 48 years
Seats: 140
Meals served: Breakfast, lunch, dinner

The economy in Richfield is bleak, according to **Van Madsen,** manager of Slice Em Thin Restaurant. Coal mining is down. Agriculture is suffering. Construction is down. Even tourism, which generally helps this small town at the crossroads between Denver and Salt Lake City, is down this year.

But Slice Em Thin continues to serve home-style food as it has done for almost half a century. Slice Em Thin is named after the restaurant's original owner, who earned the nickname because he sliced meats very thin when serving them. These days, meats are served nice and thick, with prime rib and other steaks dominating the menu. Homemade soups, such as nacho beef macaroni or hamburger and noodle, are also featured as are breads and desserts baked on the premises.

Five small dining rooms create an intimate atmosphere for diners. One wall proudly displays the largest collection of Jim Beam bottles in the state of Utah.

9 PACIFIC

Location: Los Angeles, CA
NRA member: Steven Rice
Operation: Steve's Oasis
Profile: Fast food counter in a food court
In business: 8 years
Seats: None
Meals served: Lunch, dinner

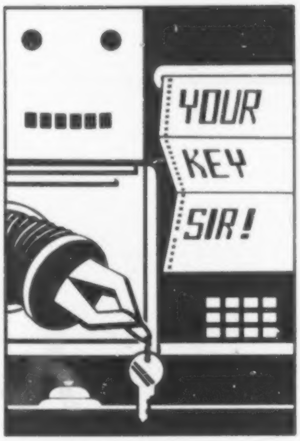
Steven Rice, owner of Steve's Oasis, hears from his suppliers that the Los Angeles economy is down. But he hasn't noticed a decline. "My business is actually up 10 to 15 percent this summer," he reports.

Steve's Oasis is one of 50 or more fast food counters operating in a food court at the Los Angeles Farmers' Market in Hollywood. The historic market is a big tourist attraction, with customers browsing through the farmers' fresh produce and sampling the many food items for sale. At Steve's, customers stop for hamburgers, falafel, hero or pita sandwiches and Philadelphia cheesesteaks. According to Rice, none of this crosssection of ethnic sandwiches stands out as a favorite among customers. "I'll get a run on hamburgers one day, then on cheesesteaks the next," he says.

Oasis sells no side dishes or desserts, since those items are available from other counters in the market.

—Anne Papa

High-tech hotel



Computers are making inroads into the hospitality industry. Consider the Fenwick Islander, a motel in Fenwick, MD, that allows late-arriving guests to register by computer. Called the Night Clerk, the computer operates much like an automatic bank teller. Customers insert a major credit card into the machine and indicate the number in their party and the type of room and bed desired. The machine displays prices, runs a quick credit check and dispenses a room key. It even displays a hospitable "thank you," using the name on the credit card.

Some hotel owners have expressed concern that Night Clerk will diminish personal contact with customers. But Deke Sheller, whose company markets the computer, disagrees. "The machines will prevent clerks from working irregular hours and will allow them to be rested and pleasant when they see customers the next day," he says.

—*The Washington Post*

Tasteful architecture

At Kentucky Fried Chicken even the buildings are finger-lickin' good.

The company's new technical center in Louisville, KY, contains the same 11 secret herbs and spices that go into the Colonel's chicken. Encased in 11 test tubes embedded in acrylic, they were placed in the building's cornerstone at a recent dedication ceremony. Explaining the architectural twist, KFC Chairman Richard Mayer says the herbs and spices are "literally the foundation of our three billion dollar annual business."

Trusted employees collected the secret seasonings from two suppliers, neither of whom knows the whole recipe. It is the first time the herbs and spices have been gathered in one place outside a chicken.

—*USA TODAY*

ATM users round up cash at Roy Rogers

Customers in Washington, DC, and Baltimore, MD, can walk into six area Roy Rogers units and walk out with a fistful of cash. Perpetual American Bank, the largest thrift institution in the area, has put automatic teller machines (ATMs) in Roy Rogers Restaurants.

The machines enable customers to get cash and check balances during the fast food restaurants' operating hours.

—*The Washington Post*

Help wanted: dietician

Bill Rogers, operator of two Capitol Room Cafeterias and the Tray Shop in Raleigh, NC, has a position open in his kitchens. But he is not looking for a chef, a line cook or a dishwasher. Rogers is looking to hire a registered dietician.

"Our customers are concerned about nutrition," he reports. "At the same time, we've been looking for a way to upgrade our menu. So we figured, why not bring a dietician on board to recommend new menu items, train staff to prepare them and be on sight to assist in preparation."

Rogers also hopes the as-yet-unhired dietician will give the restaurants a marketing boost, both by recommending ways to promote healthy alternatives and simply by being on-site. "Having a dietician on the staff will show our customers that we're giving more than lip service to their nutrition needs," says Rogers.

—***Restaurants USA*** *interview*

Name-dropping is in

It used to be that restaurants in New York City emblazoned their names on awnings, windows and flags, thinking bigger letters and brighter neon meant better business. But no more.

There is no sign to tell you, for example, that the wood and glass entrance to Memphis on Columbus Avenue does not lead into a bank or that the purple mannequins in the window of the restaurant on Carmine Street do not belong to a boutique. Among restaurants in the Big Apple, anonymity is in.

"When we take the name off a restaurant, we give it a little more *quelque chose*," says one New York restaurant consultant. "People feel like they have found something special." A restaurant owner who operates three nameless restaurants agrees. "It's the same reason you don't talk to people around you on a subway. You need to create some sort of privacy in a big city like New York," he says.

But some operators say namelessness has meant less recognition. Indochine, a Vietnamese-Cambodian restaurant, was nameless until a few months ago, when a small scribble of its name appeared beside its door. "It got too confusing," explains Darrel Mautin, assistant manager. "Too many people were showing up late for reservations because they were circling the block trying to find us."

—*New York Times*

FYI ON EMPLOYEES

For your information, the amount of training and information you provide your employees directly affects how long they will stay on the job.

National Restaurant Association's videos and publications give you the tools you need to turn your employees into a dedicated team. From an orientation checklist to a video on tips and taxes, NRA training materials are the place to start building a team of professionals.

Building Excellence

Selecting, motivating and retaining a professional foodservice staff

To aid foodservice operators in building a strong, productive reliable staff, *Building Excellence* gathers together outstanding groups of articles from *RESTAURANTS USA* (formerly *NRA News*). Articles delve into employee selection, motivation and retention as well as profile the success stories of other operators up against the same problems you face.

# MG865, 56 pgs., soft-cover book, 1984, $11.95

Video

Tips & Taxes

You can be certain your employees will understand their tip reporting responsibilities once they have viewed NRA's new video *Tips & Taxes*. Produced by NRA in cooperation with IRS, *Tips & Taxes* (approx. eight minutes) explains the use of IRS income/tip reporting and tip allocation forms including W4, 4070, 4070A and 8027—everything an employee needs to know. Using a waitress's first day on the job as the setting to explain each IRS form, requirements for employees are outlined in a friendly, straightforward manner. The video can be used as part of an orientation program or as a reminder for current employees.

# MG345, ½" VHS, ½" BETA, ¾" video (please specify format when ordering), 1986, $95.00

The First Day

A checklist for employee orientations

Getting your employees off to the right start will help you keep them with you. This comprehensive checklist of what you should do during an employee orientation won't let you overlook even the smallest detail. Each new member of your staff will begin on the right foot.

# PT350, 12 pgs., file-format booklet, 1981, $1.50

Video

Waitstaff Training

4-tape series

Give all your new waiters and waitresses the same advantage—start them out with NRA's Waitstaff Training videos. NRA's new Waitstaff Training videos detail the techniques of proper and hospitable service, suggestive selling and teamwork. Complete with trainer's guides and employee worksheets, each tape can be used in a classroom program or as an individual study. Order the four-tape series individually or as a set.

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Foodservice Operators Legal Workshop
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Menus That Sell!
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11/5–6 Madison, WI

Off-Premises Catering
10/28–29 Cleveland, OH
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12/3–4 Chicago, IL

Operational Analysis
11/12–13 Indianapolis, IN

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10/21–22 Minneapolis, MN
11/17–18 St. Louis, MO

Planning Successful Buffets
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Restaurant Design and Facilities Planning
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11/18 Rochester, NY
12/8 La Jolla, CA
12/10 Santa Barbara, CA

NATIONAL CONFERENCES

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11/16–19 New Orleans, LA

Independent Foodservice Operators' Conference
1/18–21/87 San Francisco, CA

National Conference on Computers in Foodservice
3/8–11/87 Dallas, TX

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STUDY GROUP MEETINGS

Financial Officers
10/15–17 Williamsburg, VA

Marketing Executives
10/19–21 New York, NY

Tax Executives
10/15–17 Williamsburg, VA

Quality Assurance
10/22–24 Boston, MA

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525.

Published by the National Restaurant Association

RESTAURANTS USA
VOL. 6 NO. 9 **OCTOBER 1986**

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Restaurants USA (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to **Restaurants USA.** The non-member subscription fee is $125 per year. Second-class postage paid at Washington, DC 20001 and additional mailing offices. Copyright © NRA 1986. Postmaster, send address change to **Restaurants USA**, 311 First St., N.W., Washington, DC 20001.

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PRESIDENT'S REPORT

G. "Jim" Hasslocher, President
Frontier Enterprises, San Antonio, Texas

G. "Jim" Hasslocher
President
Frontier Enterprises
San Antonio, Texas

Nationwide promotion launched

The whole hospitality industry—foodservice, lodging and their suppliers—has created what promises to be one of the largest promotions in our history. You will receive a packet concerning this nationwide promotion this month.

Yours will be one of 55 thousand hospitality businesses invited to join in a promotion designed to celebrate the hospitality industry employee. By introducing this promotion in your establishment, you will be participating in a nationwide campaign designed to demonstrate that our industry is a source of great career opportunity for a wide variety of people.

The packet, which you will receive before the end of October, contains samples of the materials you will need when you launch this promotion. I urge you to examine these materials carefully and to order the posters, ad mats, envelope stuffers, pins and bumper stickers you need to change the way your employees and, ultimately, your community look at our industry.

Educational foundation created

During its fall meeting, the association's Board of Directors voted to merge its educational programs department with the National Institute for the Foodservice Industry (NIFI) and to create a new entity within the association to be known as the Educational Foundation of the National Restaurant Association. The plan was previously approved by the NIFI Board.

The new educational foundation will continue the work of both predecessor organizations. It will bring seminars and conferences to the association membership and provide prospective employees with information and support as they seek careers in foodservice. The merger is designed to guarantee the enhancement of these programs and the introduction of new ones.

This merger is another aspect of the association's determination to broaden and strengthen its services, according to its five-year strategic plan.

Task force looks at ingredient labeling

The Board also called for the appointment of a special task force to coordinate industry action in regard to legislation calling for mandatory ingredient labeling on fast food and take out wrappers. Although we all believe that consumers have the right to know what is in the food they purchase, ingredient lists on wrappers are not the right vehicle for this information. That is a supermarket response to a restaurant problem. The new task force will explore the appropriate response to the limited demand for this kind of information.

Members talk with political leaders

The Board meeting was followed by the association's very successful Public Affairs Conference at which members heard from leading political figures, such as Secretary of Labor William E. Brock, Secretary of Health and Human Services Otis R. Bowen and Senators Edward M. Kennedy and Pete V. Domenici. Attendees then met with their own senators and congressmen on Capitol Hill.

They also spent time with their legislators during the highly popular *Chef D'Oeuvre* reception at which eight leading Washington restaurants served signature samples to 255 congressmen and senators.

This kind of direct contact between political leaders and foodservice operators is the best way to make the wants and needs of our industry known in the nation's capital. We are already planning the third annual Public Affairs Conference for next fall. You ought to be there.

Operating ratio study released

In September, the association released the *1986 Restaurant Industry Operations Report,* which contains operating data for the various categories of foodservice outlets. Members who participated in the study have received their copies and are comparing their own operating ratios with similar restaurants. Other operators can purchase the study through the association's publications department.

Catering conference scheduled

Catering continues to grow both as an independent business and as a side business for many restaurants. The association's National Conference on Catering, scheduled this year for November 16 through 18 in New Orleans, is also growing in popularity. It is not too late to register. For more information, call the education programs department in the association's Washington office.

During September, 156 foodservice operators and allied suppliers joined us as members of the National Restaurant Association. Welcome. Your participation in the association will make your business grow and will make the association more effective in its endeavors on your behalf.

Sincerely,

G. Jim Hasslocher

G. "Jim" Hasslocher
President & Chairman of the Board

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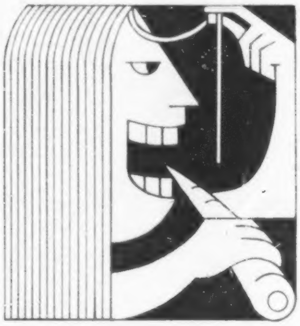

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Does an apple a day keep the doctor away? Find out the truth about some favorite folk tales.

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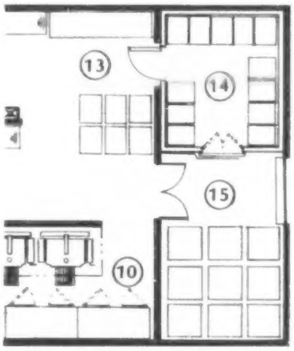
From creative non-alcoholic beverages to revamped bar areas, here are some of the latest marketing strategies to offset dropping bar revenues. Don't miss the sidebars on non-alcoholic beverage recipes and definitions.



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Cover photograph by Gary Landsman

SHORTORDERS

New NRA one-stop reference source

Foodservice Numbers: A Statistical Digest for the Foodservice Industry is a new NRA publication. The 75-page report contains a comprehensive overview of the most sought-after industry numbers. It includes:

☐ industry food and beverage sales and purchases for 50 separate sectors

☐ consumer research highlights from NRA's extensive research program

☐ characteristics of the restaurant occasion

☐ restaurant operating ratios

☐ industry trends and

☐ major economic indicators.

Report highlights

The report includes comprehensive information in all sections. Some examples follow:

☐ Sales for table service restaurants climbed to $55.1 billion in 1984 from $13.3 billion in 1970.

☐ The vast majority of decisions to eat out are made at home. Children and teenagers have considerable influence on decisions to eat at fast food restaurants.

☐ Changes in restaurant traffic and sales have mirrored economic growth, with an especially strong showing in 1984. Traffic and sales growth slowed in 1985, similar to the overall slowdown in the economy. Breakfast sales and traffic growth outpaced other meal periods for three consecutive years.

☐ Nearly two-thirds of all restaurant meals are consumed in less than one hour.

To order

The complete 75-page report is now available. The cost to NRA members is $50 (plus 10 percent shipping and handling), and the cost to nonmembers is $100 (plus 10 percent shipping and handling). Residents of Washington, DC, must add a six percent sales tax. Illinois residents must add seven percent. Chicago, IL, residents must add an additional one percent sales tax, to total eight percent.

To order, contact NRA, 311 First St., N.W., Washington, DC 20001, or call (800) 424-5156 or (202) 638-6100.

Payment must accompany all orders. Credit card telephone orders are accepted. Please specify number CS025.

First month's coverage for NRA life insurance only $1

Until January 1, 1987, NRA members, key employees and/or spouses under 55 years of age can enroll in the NRA-endorsed $30,000 Group Term Life Insurance Plan for just one dollar for the first month of coverage simply by meeting very minimal eligibility requirements.

Acceptance is guaranteed during this special enrollment period as long as the applicant is under 55 years of age and has no pre-existing conditions or history of high-risk illness.

The cost of the plan after the first month is kept low by spreading the risk over several thousand insureds instead of one individual. It starts at $5.20 per month per $30,000 worth of coverage.

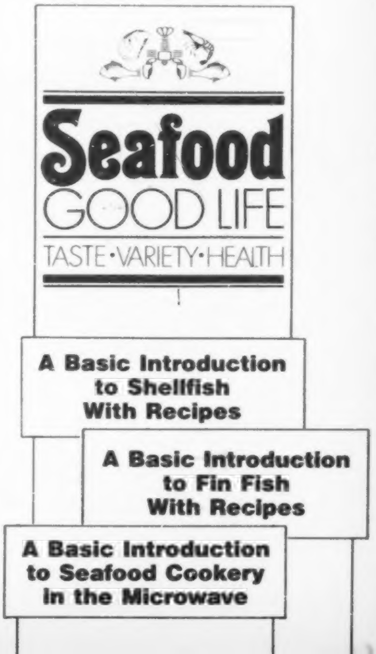
Special features of this plan include guaranteed conversion rights and guaranteed renewability to age 70. Also, members need not enroll for spouses to remain eligible.

Complete details of the plan have been sent to all NRA members. Further information is also available by contacting Albert H. Wohlers & Co., NRA Group Insurance Plans, 1500 Higgins Rd., Park Ridge, IL 60068-5750; (800) 323-2106. Illinois residents can call (312) 698-2221.

Free seafood pamphlets available

"Seafood for the Good Life" is a series of informational brochures recently developed by the National Fisheries Education and Research Foundation. The series focuses on basic information in four areas: shellfish, finfish, seafood microwave cooking and seafood nutrition—one topic per pamphlet. Included are recipes as well as purchasing, storage and cooking tips.

To receive camera-ready masters for reproduction or a sample set of the brochures free of charge, contact the Foundation at 2000 M St., N.W., Suite 580, Washington, DC 20036; (202) 296-5090.


Seafood
GOOD LIFE
TASTE•VARIETY•HEALTH
A Basic Introduction to Shellfish With Recipes
A Basic Introduction to Fin Fish With Recipes
A Basic Introduction to Seafood Cookery in the Microwave

Hospitality industry to launch image campaign

On October 17 in New York City, officers of 15 national associations representing 55,000 businesses will announce an all-out, industry-wide campaign aimed at elevating the perception of the hospitality industry employee. The National Restaurant Association is among the sponsors of the program, which has been described as the largest cooperative effort ever undertaken by the service segment of our economy.

In conjunction with the program's announcement, National Restaurant Association members as well as members of the other sponsoring associations will be receiving a packet which outlines the program and explains how it can be implemented in their establishments. Look for the packet, as well as the November issue of ***Restaurants USA***, for full details on this broad-scale, industry-wide campaign.

Restaurant central kitchen rule hailed as industry victory

Certain restaurant central kitchens are exempt from federal meat and poultry inspection requirements, according to the final rule on this issue published by the United States Department of Agriculture (USDA). Hailed as a decisive victory for restaurants, the rule is expected to reduce costs and remove an obstacle to centralizing food preparation for restaurants. The final rule went into effect September 19, 1986.

The ruling exempts kitchens that ship ready-to-eat foods to local establishments owned by the same person or persons. "Ready-to-eat" foods, according to USDA, are those that require no further cooking or other preparation, except reheating prior to service if the food has been chilled for transportation.

The allowance for chilling and then reheating transported "hot foods" comes after NRA's vehement opposition to a provision in the proposed rule issued by USDA last year. Under that proposal, an exempt central kitchen would have been required to ship food at its serving temperature—food intended to be served hot, for example, would have been required to be shipped hot.

This requirement, NRA argued, would increase the possibility of bacterial contamination and would raise costs by necessitating special equipment and awkward scheduling.

The final rule comes two years after Congress passed NRA-backed legislation which lifted federal inspection requirements for restaurant central kitchens. At that time, NRA successfully argued that federal inspection laws often duplicated state and local regulations and that inspection costs discouraged restaurants from taking advantage of the efficiency that results from centralized preparation of some products.

USDA's two-year delay in coming up with the rules to implement the legislation, however, has been a continued source of frustration for restaurant commissary operators.

Dee Ruma, a St. Louis restaurateur who owns eight delicatessens, cooks and slices all her meats in a central kitchen. Because her commissary services more than two retail units, it has fallen under federal inspection requirements. A federal inspector has maintained a desk in Ruma's commissary since 1981.

Dee Ruma

Highly stringent federal laws, Ruma said, have complicated her attempts to open her kitchen earlier or to make changes in the brands of meats she uses or in kitchen design. Her plans to open a second commissary have been on hold for one year while she was waiting for USDA to make its final rule exempting central kitchens. Building a commissary according to federal guidelines, she said, would entail an extra $50,000.

USDA estimates that at least 40 restaurant central kitchens will be affected immediately by the final rule, which applies to interstate as well as intrastate food transportation. The rule also exempts vending machine suppliers and caterers from federal inspection.

Facilities exhibiting problems meeting sanitation requirements, however, could be forced to resubmit to inspection by USDA's Food Safety and Inspection Service.

Operators who wish to be exempted from federal inspection should contact their local USDA inspector. Requests for exemption should be made in writing, and a final determination on the request will be made by USDA in Washington. NRA members are urged to send a copy of their request to the NRA Government Affairs Department, which will be monitoring the exemption process.

Editor's note: *See related stories on planning a commissary in this issue.*

FDA panel favors ingredient disclosure in restaurants

Representatives for NRA and three restaurant chains argued against mandatory fast food labeling at an Aug. 21 public hearing before the Food and Drug Administration's (FDA) Ad Hoc Advisory Committee on Hypersensitivity to Food Constituents. Other industry groups, a physician, consumers and the Center for Science in the Public Interest (CSPI) also appeared before the panel, which will make a final report to FDA in March 1987.

At the conclusion of the hearing, the committee recommended that FDA develop a practical means of making ingredient information conspicuously available at point of purchase in *all* restaurants. Committee members cited labels, wall charts and brochures as disseminating vehicles. They also recommended that FDA encourage that nutrition information be made available at point of purchase.

The ad hoc group's recommendations are not expected to be the final word, however. Dr. Sanford Miller, director of FDA's Center for Food Safety and Applied Nutrition, told the panel that the cost of enforcing the recommendations would have to be weighed heavily in view of current budgetary constraints.*

Left to its own creativity, the industry will respond to consumer demand for ingredient information, NRA said. NRA pointed out that six fast food chains, which represent more than 43 percent of total U.S. fast food sales, have announced that they will begin providing ingredient information to their customers in the next several months.

***Editor's note:** *In fact, as this issue of* **Restaurants USA** *went to press, FDA announced it had rejected CSPI's petition requesting that packaged fast foods be labeled. (More details will follow in the next—November—issue.)*

Senator Armstrong discusses the tax reform bill

Earlier this year, Senate Finance Committee member William Armstrong (R-CO) took up the foodservice industry's cause in its fight to preserve the deduction for business entertainment expenses at 100 percent. On May 6, 1986, the vote on Sen. Armstrong's amendment to retain full deductibility fell short by just one vote.

Recently **Restaurants USA** *spoke to the senator about his involvement in the business meal issue and the outcome of the tax reform bill.*

***Restaurants USA:* You came incredibly close (a 9–9 tie vote) to winning approval for your amendment in May. What were your thoughts going into that vote, and, looking back on it now, was there anything that could have been done differently to pick up an extra vote?**

Armstrong: A lot of restaurant people contacted the senators on the Finance Committee, and we made the case not only on the grounds of theory and justice but on very practical grounds—that it would hurt the economy.

It's pretty hard to know whether some additional information, argument or persuasive presentation would have given us another vote. At the time, I felt pretty good about it. I thought we had the facts on our side. We had a very logical reason for why it was foolish to limit the deductibility of entertainment expenses.

It was my feeling that the 80 percent proposal was discriminatory in its very essence. In effect, the committee made a policy judgment that one kind of business expense should be fully deductible—such as billboards, TV advertisements, newsletters, direct mail, etc.—but that others should not be fully deductible. That's discriminatory on the face of it, and it puts the Senate Finance Committee in a position of exercising a judgment that it simply is not qualified to make. It's unjust, unwise and sets a precedent which I expect the Senate will come to regret.

The next thing we'll have to face is whether certain kinds of advertising expenditures should be disallowed. There's already a bill pending that would disallow the deductibility of cigarette advertising. Then, someone will say we've got too many lawsuits and that we should disallow 20 or 40 percent of legal fees. What we end up doing is setting an industrial policy for the country based upon what fraction of a particular expense is tax deductible.

Q: Do you think the negative image the business meal sometimes has with the general public influenced the Senate Finance Committee vote?

A: For years some people in politics have made a point of ridiculing the "three martini lunch." Yet, at least in the finance committee, I think the issue appealed to the members' sense of justice. I've never seen a businessperson drink three martinis at lunch. My observation is that businesspeople today tend to be very moderate both in what they eat and drink and how long they spend doing it. In today's competitive environment, the last thing someone wants to do is take a long lunch. But this buzzword, "three martini lunch" has conjured up the notion of nearly unlimited revelry, with people taking from 10 a.m. to 4 p.m. for lunch. If that's the case, why allow 80 percent of it? If it's business, it ought to be 100 percent deductible; if it's monkey business, none of it should be deductible.

"Sooner or later we'll get enough people in Congress who will either vote for a balanced budget amendment, or will vote to refer it to the people for a vote."

Q: What's your opinion of the tax reform bill ?

A: I think it's a pretty good bill, although there are many things in it that I would have done differently. Still, seeing the maximum individual rates come down to 28 percent is really remarkable. According to figures I have seen, approximately 90 percent of the taxpayers in my state will pay less under the bill. I assume that's fairly typical across the country.

Q: The big unknown in the equation is how the tax bill will affect the economy. What's your perception?

A: I've got a hunch that its immediate impact will not be entirely favorable. Because of the way it's timed, the immediate effect will be a slight increase in taxes in the first half of next year. Also, in doing away with the investment tax credit and some other things, we don't encourage new investment. Moreover, the whole bill increases the burden on businesses as a group—some will pay more than they do now, some less—but the idea is to shift the tax burden toward businesses and away from individuals. That will encourage consumption to some extent, but it won't encourage new plant investment. So the outcome is somewhat chancy.

However, in the long run, by lowering the marginal rates, we have dealt a devastating blow to tax shelters. We've said to people that if you can live with a 28 percent top rate, you don't have to fool around with all these exotic tax schemes. We're encouraging people to invest their time and efforts in things that produce the maximum economic return. In the long run, that's good for the taxpayers and good for the country.

Q: Will there be another tax bill next year, possibly a "technical corrections" bill?

A: I think there will be a technical corrections bill about one yard thick. You are also going to see quite a few substantive changes proposed, and I'm going to propose some of them myself. There are some things in the tax reform bill that just don't make sense, and anybody who has the idea that we are not going to pass another tax bill doesn't understand how this process works.

Q: Do you foresee any rate increases, possibly to help lower the deficit?

A: There will be a big push for higher rates, but I would be surprised to see higher personal rates anytime in the foreseeable future.

Q: What about a national sales tax or consumption tax?

A: It's possible, but again I think the President will resist any overall increase in the tax burden. He might give some ground on it, and, if he does, we'll get it. There is a great deal of sentiment for a tax increase. I don't share that sentiment. I don't think a tax increase will narrow the deficit; it would just permit everyone to get off the hook and spend more.

Q: What would your approach be to reducing the deficit?

A: Cut spending. Cut spending. Cut spending.

Q: You've been a proponent of the balanced budget amendment. Is that really a solution?

A: Look around the country at all the states that have balanced budget amendments. They balance their budgets. It may require politicians to do things they don't want to, but one way or another these states will meet their constitutional responsibilities. If we had it in our constitution, we'd do it. Lacking that, we won't.

Q: Can the Gramm-Rudman deficit reduction act accomplish the same thing?

A: It's a Rube Goldberg contraption. It's a terrible idea, but it is a better approach than doing nothing. Gramm-Rudman is a form of external discipline.

Sooner or later we'll get enough people in Congress who will either vote for a balanced budget amendment or will vote to refer it to the people for a vote. I think when that happens, the state legislatures will ratify it.

Restaurateurs active in small business conference

More than 1,800 small business owners converged on Washington, DC, for the second White House Conference on Small Business. Thirty restaurateurs participated in the four-day event, which focused primarily on hammering out 60 recommendations to the President and Congress on issues affecting the small business community.

The delegates to the conference spent much of their time in issue sessions, debating the merits of the 373 recommendations proposed during earlier state conferences. In the end, the delegates—representing every area of the private sector—forged a consensus on what will be the small business agenda for the remainder of this decade. (See sidebar for a listing of the top 10 recommendations.)

Liability insurance top concern

It came as no surprise that liability insurance reform was ranked as the number one priority for small business. All of the restaurant delegates interviewed by ***Restaurants USA*** were concerned about tort reform. "That's the big issue, not only for restaurants, but for all businesses," said NRA Honorary Director Michael O'Neal of the Ginger Man Group in New York, NY. John Weichman of All Seasons Restaurant in Mobile, AL, could not agree more. "There's no question about it. You hear the horror stories daily—and mine's no exception," he said. "We have to have some kind of protection or else it's going to kill dining out in America as we know it."

NRA Honorary Director Ernie Royal of Ernie's Grill in Rutland, VT, maintains that liability insurance "is just eating up too much of our profits. If I didn't have to pay so much on liability insurance," he added, "I could afford to spend more on my staff."

The delegates recommended a four-pronged approach to liability reform: civil justice changes, uniform fault-based liability standards, increased regulation of the insurance industry and a greater public awareness of the effects of litigiousness on everyday life.

Mandated employee benefits a key issue

Gretchen Mathers, owner of a cafeteria and catering operation in Seattle, WA, shared the others' concern with liability insurance but said she had another issue uppermost on her mind: recent efforts in Congress to establish government-mandated employee benefits.

"I'm terribly concerned that Congress is starting to overlegislate in this area—to the point where we won't be able to pay the fringe benefits," Mathers said. "Our profit percentages aren't that high in this business. If they pass these bills requiring maternity leave and extended health care, they're going to be taking it right from the bottom line. It's going to be a killer if it goes through."

Mathers was not alone in her concern. Government-mandated employee benefits was ranked as the second most serious issue facing small businesspeople. The delegates voted overwhelmingly to oppose such bills as the Parental and Disability Leave Act, H.R. 4300, and efforts to require employers to pick up the cost of health insurance when employees are laid off.

"If they pass these bills requiring maternity leave and extended health care, they're going to be taking it right from the bottom line."

—Gretchen Mathers

Tax reform not among top 10

Although on the minds of many delegates, tax reform was not one of the top 10 recommendations, perhaps because work on the tax bill was completed by a House-Senate conference committee just prior to the delegates arriving in Washington.

However, the delegates did call for the restoration of the Investment Tax Credit (ranked 16), which would be eliminated by the tax bill, and the establishment of a capital gains tax rate of 75 percent of the regular income tax rate if an asset is held for two years and 50 percent of the income tax rate if an asset is held for five years (ranked 12).

Many small business owners were of the opinion that tax reform will be of little benefit to them, and Gene Colonna of the Chicago Connection Delicatessen in Muscle Shoals, AL, expressed the concern of the group. "The bill is not in the best interests of small business," he said. "There are many issues wherein we obviously had no input or influence, particularly in the area of capital gains and investment. Congress seems to have forgotten that small business has been the chief engine of economic growth in the last few years."

"Drugs are not just in the ghettos and poor neighborhoods anymore. Users are from all walks of life, including small business employees."

—Ed Davidian

Many of the restaurateurs pointed to the 80 percent limit placed on business meal deductions as an example of Congress' insensitivity to small business concerns. In fact, one of the 373 conference recommendations called for a 100 percent deduction for business meal and entertainment expenses, but it did not make the final 60.

Teaching youngsters about free enterprise

Another important issue—number six on the list—was education and training about the free enterprise system. The delegates urged the federal government to establish an early awareness of the free enterprise system in grade school.

"Better education and training are an absolute must," Royal said. "I can't overemphasize the importance, especially in the restaurant business. Our industry gives many young people their first opportunity in a work situation, and these folks just aren't properly motivated or trained."

Ollie McClung, owner of Ollie's Barbeque in Birmingham, AL, said he was pleasantly surprised to find that others were as concerned about education as he was. "In my opinion, we have a nation of economic illiterates—from college-educated people on down to blue-collar workers. There has to be a greater emphasis on the free market system in the schools," he said. "If we ever want to be competitive with the Japanese, we have to begin changing attitudes about business."

SBA applauded

Several restaurateurs were also concerned about the future of the Small Business Administration (SBA), which the Reagan Administration has said should be eliminated. Mathers said she has qualified for several SBA programs that have helped her expand her business. William Moon, president of Iowa 80 Truckstop, Walcott, IA, said he thought SBA is particularly helpful in states where there is high unemployment. "SBA's ability to provide advice as well as financial help is an important key to small business growth," he said. "Young people today need SBA as a resource to help them get off the ground."

Small business's top 10 priorities

Delegates to the White House Conference on Small Business selected the following as their top recommendations to Congress and the President:

1. Reform tort laws, establish uniform fault-based liability standards and increase regulation of the insurance industry.

2. Oppose federally mandated employee fringe benefits.

3. Protect small business from government and nonprofit competition.

4. Balance the federal budget and reduce the federal deficit.

5. Create a federal department of trade.

6. Promote education about free enterprise and global economics in schools.

7. Repeal the Davis-Bacon Act.

8. Reform Social Security.

9. Pass S. 2760, the Product Liability Act.

10. Make disputes with IRS subject to binding arbitration, and make IRS pay for the cost of its errors.

White House Chief of Staff Donald Regan, in his keynote address to the conference, tried to mend fences with the delegates on the SBA issue. He emphasized the importance of small business in the nation's economic recovery and promised that the President would appoint a permanent SBA administrator soon. The delegates, in a recommendation ranked 13, said SBA should be an independent agency and that the SBA administrator should be elevated to Cabinet-level status.

Drug-free work force ranked 17 on list

A "dark horse" issue championed by Ed Davidian, Country Manor Restaurants, North Canton, OH, rose to number 17 on the list. Davidian was able to galvanize support for a recommendation calling for a joint effort by government, businesses and schools to bring about a "drug free" work force.

"I see this as a huge issue, especially in the restaurant industry," Davidian said. "Drugs are not just in the ghettos and poor neighborhoods anymore. Users are from all walks of life, including small business employees."

All of the restaurant delegates said they will push for enactment of the conference recommendations this fall and next year when the 100th Congress convenes. "I believe the momentum established here will carry us forward," Weichman said. "There will definitely be follow-up. We have to follow up, or we're going to be in trouble."

—Jay Morris
—Denise Roach

The FORGOTTEN Generation

Marketing to the over 50 crowd

by Anne Papa

A couple in their mid-fifties set out one evening to enjoy dinner in a restaurant. The first place they stopped seemed more like a bar than a restaurant, filled with young people hoping to see and be seen. The second place was filled with families with children, and it was ill-suited to a couple dining alone. And the third restaurant featured exotic, heavily spiced items which did not appeal to the couple's traditional tastes.

Anne Papa is a communications specialist for the National Restaurant Association.

Discouraged, the pair ended up at a restaurant they had been to many times before. It was the only place in town that offered the elegant atmosphere, quality food and attentive service that the older couple desired. It was the only place in town that the couple would recommend to their friends.

A neglected market

Too old to be called baby boomers and too young to be called senior citizens, consumers between the ages of 50 and 65 are an "historically neglected market," according to Barbara Caplan, vice president of Yankelovich Clancy Shulman, a market research firm that conducts demographic marketing studies.

"When developing marketing strategies, businesses consistently overlook this age group," says Caplan. "It's as though the baby boomers are the only game in town."

Ironically, this neglected market is potentially the most lucrative. Today, 33 million Americans are between the ages of 50 and 65. That number will grow considerably, however, as the baby boomers grow older. According to the Conference Board, by the year 2000, the 50 to 65-year-old group will surge to 41 million, the biggest increase of any age group.

But the real strength behind this mature age group lies in their spending power. Generally, these consumers are at their peak earning years, commanding higher average salaries than any other age group. Yet their expenses have lessened considerably. The children are grown and gone, the mortgage is paid off, and the financial strains of running a household are reduced. As a result, these mature consumers also have the most discretionary income. The Conference Board estimates that consumers between the ages of 50 and 65 spend 20.1 percent of their income on items considered non-essential, compared to a 16.5 percent overall average.

The wants and needs of the mature consumer

What do these facts mean to foodservice operators? Plenty, according to Jasper White, owner of Restaurant Jasper (Boston, MA; 80 seats). "Money is no object to these consumers," he says. "Their primary reason for going out to eat is that they're hungry. Therefore, the restaurateur must identify exactly what these customers are looking for in a restaurant—and then give it to them."

For upscale restaurants, such as Restaurant Jasper, it is not difficult to woo the mature consumer. The qualities that appeal to this affluent group—elegance, first-class food and drink, attentive service—are the very qualities that define an establishment as being upscale. But what about restaurants that have made their niche as the trendiest spot in town or as a great place to bring the kids? How can operators of these establishments tap into the lucrative mature market without completely repositioning their concepts?

Fred Hipp, president of the casual dining division of Gilbert/Robinson, Inc., which operates 62 Houlihan's units nationwide, acknowledges that marketing to mature customers can be difficult—but it also can be done. He echoes Jasper White in maintaining that the key is to first identify what mature consumers look for in a restaurant. "This age group has definite characteristics," says Hipp. "By zeroing in on those characteristics, you're better able to position your operation to meet their needs."

Creating a private, intimate atmosphere, even in the midst of a bustling lunch or dinner crowd, is a surefire way to please mature patrons.

Catering to the mature customer

The characteristics, which Hipp, White and operators like them have observed among their mature clientele, are based on a desire for quality and a willingness to pay for it. There are specific steps you can take to communicate a quality image to this discriminating but profitable market.

☐ **Be consistent.** Older consumers are more likely to establish loyalty to one particular establishment than are younger consumers, who are more inclined to try new places. To win this loyalty, however, customers must find consistent quality in both food and service.

NRA Director Don O'Neill, owner of the Spring House Restaurant (400 seats; Rochester, NY), estimates that at least 50 percent of his clientele are among the affluent, older generation. Recently, he placed comment cards on each table in the restaurant, asking customers to evaluate food and service. "Time and time again," O'Neill reports, "those cards came back with one word written on them—'consistency.' Particularly among the older clientele, customers come back to the Spring House because they know what to expect."

Restaurant chains have an advantage in this area because consistency of food and service from one unit to another has always been considered a top management priority. Certainly, consistency is what draws older customers into 16 Ruth's Chris Steakhouse units across the country, according to Ruth Fertel, owner of the New Orleans, LA-based concern. "Many of our customers are older, affluent businessmen and business women who travel a lot," says Fertel. "They know they can fly to a new city, take a client to one of our restaurants, which is completely consistent with the one they've been to back home, and make a good impression."

☐ **Give personal attention and recognition.** Because mature customers are loyal and therefore regular restaurant patrons, personal recognition and attention to their particular wants and needs are a must. "We make a point of learning our customers' names," says Don O'Neill of the Spring House Restaurant. "Whether they are leaders in the business community or

The real strength behind this mature age group lies in their spending power.

a couple from the neighborhood out for a nice meal, we treat everyone with the same respect." O'Neill also makes certain that special requests regarding food or service are "taken care of immediately."

NRA Director Arthur McGreevey, owner of Llewellyn Farms, a 190-seat upscale restaurant in Morris Plains, NJ, agrees that giving older customers specialized attention is a definite factor in their patronage. "We have some older customers who insist on sitting at the same table and having the same waiter every time they come in," he observes. "We say, 'No problem.' We only want to make them happy."

☐ **Offer privacy.** In contrast to the younger generation, for whom dinner at a restaurant is often tantamount to a night on the town, older clientele are more likely to prefer peace and quiet when dining out. Creating a private, intimate atmosphere, even in the midst of a bustling lunch or dinner crowd, is a surefire way to please mature patrons.

Gordon Sinclair, owner of Gordon (145 seats) and Sinclair's (125 seats) in Chicago, IL, and Sinclair's American Grill (135 seats) in Jupiter, FL, says he makes an effort to seat his older customers at more secluded tables. "They might not specifically request it, but we've found older customers are generally appreciative of tables that are far apart," he says. "Only rarely do we seat them in the center of the restaurant or near the piano."

Fred Hipp believes that the privacy available to diners in Houlihan's restaurants is a significant factor in the chain's appeal to mature consumers. "Unlike a typical theme restaurant, where the bar takes center stage, the bar and dining areas at most Houlihan's units are separated by a wall," notes Hipp. "This way, customers who come in for a private dinner are not forced to adapt to a bar-like atmosphere. We recognize that red neon lights and contemporary music aren't for everyone, so we give our customers an option."

☐ **Provide soothing decor, music and lighting.** Mature customers generally prefer establishments that are conservatively decorated, maintain soft music levels and are adequately lit.

International House of Pancakes (IHOP), a North Hollywood, CA-based, 461-unit chain which has recently repositioned itself to also capture the lunch and dinner market, has undergone a change in decor. "We recognized that if we wanted to attract a wider customer base, particularly older customers, we needed to soften our traditional 'formula' look," explains Steve Pattise, vice president of marketing. Consequently, the familiar peaked roof has been replaced. The old orange-and-blue color scheme has been abandoned for off-white, rust and blue. Many of the dining rooms have been carpeted, and light oak furniture adds a sophisticated touch. "It is now a lot more likely that an older couple will come into an IHOP without children—and not just on a Saturday morning," says Pattise.

Conservative, low-level music is also generally preferred by an older clientele. Fred Hipp of Houlihan's observes that many restaurants, both casual and upscale, are already recognizing this fact. "Music has come down a decibel level or two in the past few years," he observes. "Older groups, from baby boomers on up, will no longer tolerate music that interferes with their conversations."

Adequate lighting, too, is important, especially for those older patrons who wear glasses or, as Arthur McGreevy of Llewellyn Farms puts it, "those who simply want to know what they're eating."

☐ **Serve traditional menu items.** In keeping with their preference for a conservative atmosphere, 50 to 60-year-old customers are more likely to choose traditional, tried and true menu items. This does not mean that eclectic menus hold no allure for this group. It simply means that, in general, mature patrons are less likely to experiment with the unknown. Therefore, it is a good idea for restaurants that specialize in exotic dishes or heavily seasoned ethnic foods to also feature a few traditional items.

Although all Gordon Sinclair restaurants feature regional American cuisine, Sinclair has modified some menu items at his Florida restaurant to suit older tastes. For instance, Cajun dishes, which are prepared with heavy spices up North, are tempered a bit, and traditional specials, such as a weekly seafood buffet, are featured in Florida, but they are not offered in Chicago.

Don O'Neill of the Spring House Restaurant does not include spicy dishes, such as blackened redfish, on his menu in deference to his older customers. "We generally try to remain current with our menu, but the Cajun trend is one I decided to forego," he explains. "I knew there would be some difficulty with our older clientele."

Beverage preferences also differ among the age groups. At Gordon and Sinclair's in Chicago, for example, frothy drinks, white wine and champagne cocktails are the big sellers. But at Sinclair's American Grill in Florida, a customer is more likely to order a Rob Roy or an old-fashioned.

☐ **Promote healthy items.** Many customers 50 years old and over are concerned about good health. Either as a result of their own inclination or because of doctors' orders, these consumers are looking for menu items low in sugar, fat and sodium.

Recognizing this trend, Houlihan's has introduced a new "light and healthy" section on its regular menu. The section includes poultry, seafood and vegetable items that appeal to the health-conscious consumer. Reports Fred Hipp, "We have noted a definite increase in orders from this section from customers 55 years old and older. These consumers are also more likely to order salads or fresh fish off of our regular menu." Hipp notes, however, that these older consumers also tend to order dessert at the end of a meal. "Older consumers are believers in the traditional edict: 'eat three square meals a day.' So when they skimp on one area of a square meal by ordering a light item, they're likely to view dessert as a way to round out the meal," he theorizes.

Even without a separate section of the menu for light items, special preparation requests by older patrons should always be honored. Jasper White, Don O'Neill and Arthur McGreevy all report they are quick to accommodate special dietary requests—and they all enjoy the loyal patronage of mature consumers as a result.

☐ **Be sensitive to the age issue.** Finally, when catering to mature consumers, it is important to take age sensitivity into consideration. A customer 50, 55 or even 65 years old may resent being classified as "old" and will resent any marketing efforts that are based on "old people" stereotypes.

Gordon Sinclair says that tact and discretion are important when marketing to mature consumers. At Gordon, discount meals are offered before the dinner rush for customers who might be going to the theater afterward. "Since going to the theater costs money, most of our pre-theater crowd is affluent, and therefore older," explains Sinclair. "But we would never promote the discount meal period as an 'early bird special.' That term implies old age. Instead, we simply call it our 'pre-theater special,' which says value in a more sophisticated manner." A similar pre-dinner-hour special at Sinclair's American Grill in Florida is called *Sinclair's Sampler.*

Tips for marketing to mature consumers

Although each restaurateur must develop marketing strategy based on the unique aspects of his operation and the characteristics of the local market, here are some general tips to keep in mind when targeting mature consumers.

1. Avoid old age stereotypes.

2. Recognize the diversity of the market.

3. Create a relaxed, comfortable atmosphere.

4. Train staff to be attentive, friendly and sensitive to any special needs of older patrons.

5. Offer lighter menu items, such as meats and vegetables without heavy sauces. Salad bars are also a big hit with mature patrons.

6. Use promotions such as two-for-one specials or other full-meal type deals. Senior citizen discounts are useful in attracting consumers 65 years old and over.

Looking ahead at the aging baby boomers

For those who would still argue that "the baby boomers are the only game in town," it is at least prudent to keep in mind that these 30 and 40 year olds won't stay young forever. The operator who positions himself or herself now to cater to an older clientele is the operator who will come out ahead as the baby boomers mature.

"Ten years from now, 'older clientele' will have a whole new meaning," predicts Fred Hipp of Houlihan's. "They will still want privacy and a conservative atmosphere. They will still opt for traditional food and drink. But they will also bring their own baggage, their own values, acquired from their years as the predominant generation." Hipp projects that baby boomers, accustomed to a more cosmopolitan and fast-paced life-style, will continue to eat out far into their older years. "As older customers, they will make up a much larger percentage of the dining out public than their predecessors do now," he predicts.

Don O'Neill of the Spring House Restaurant also recognizes that the aging of the baby boomers will have a significant effect on his market in the coming years. "I feel confident that we will maintain our niche as the mature market grows," he says. "But I also know that I can't make assumptions about older clientele 10 years from now based on what I observe today. If baby boomers at age 50 or 60 want their blackened redfish, we'll give it to them. If they want their milk shakes served upside down, we'll give it to them.

"Because," he adds, "the key to pleasing older clientele—the key to pleasing any clientele—is to pay attention to their wants and needs." ❑

Foodservice Trends Special

A Closer Look at the MATURE MARKET

In 1970, there were 39 million people 55 years old and older; by 1985, they numbered 51 million—a 31 percent increase. Although growth will be at a slower rate in upcoming years, this population group will continue to be one of the fastest growing. Not only are there more mature consumers today, but they also are more affluent, healthy and active than previous generations. Failing to target this market means ignoring the segment with the most discretionary spending power, potentially a very costly mistake.

Kate Conroy is a research specialist for the National Restaurant Association.

by Kate Conroy

What is the "mature" market? It is one market made up of three segments: those between the ages of 55 and 64 (44 percent), those between the ages of 65 and 74 (33 percent) and those 75 years old and older (23 percent). Unfortunately, much of the information about the mature market is lumped together either encompassing all adults over 55 years of age or all adults over 65 years of age, making it difficult to get a clear picture of each segment.

Needless to say, the concentration of mature consumers can vary substantially by state, city and even trading area. Although the South has the largest proportion of the total mature market, the Northeast has the highest concentration of persons over 55 years of age, according to the U.S. Census Bureau. About one-third of those persons age 55 and older reside in the South, accounting for 21 percent of the region's total population. In contrast, about one-fourth of the mature market resides in the Northeast, making up approximately 24 percent of all residents in that area.

Marital status, employment drop with age

Marital status, labor force participation, financial well-being and physical mobility influence this segment's life-styles and thus their consumption behavior.

Marital status, for instance, is believed to influence life expectancy and overall outlook on life. According to social scientists, married persons living with their spouses tend to live longer and are often happier and more active than their single counterparts. As might be expected, the proportion of married couples decreases with age. More than three-fourths of those between the ages of 55 and 64 are married. The figure drops to less than two-thirds for those between 65 and 74 years of age, and in the 75 and older segment, the proportion of singles exceeds the proportion married—59 percent versus 41 percent. Of the singles in each age segment, the majority are female. Many are active, thanks to the development of various social clubs/organizations designed especially for seniors.

Household and discretionary income by age

Individuals between the ages of 50 and 65 have the most discretionary income

Age of head of household	Average household income	Per capita income	Average household discretionary income	Per capita discretionary income
Total U.S.	**$25,211**	**$ 9,338**	**$ 9,827**	**$3,444**
Under 35 years	22,180	8,120	7,529	2,628
35 to 49 years	31,756	9,162	10,379	2,904
50 to 54 years	34,093	11,365	11,691	3,685
55 to 59 years	30,050	11,557	11,878	4,494
60 to 64 years	25,011	11,369	10,752	4,571
65 to 69 years	19,918	9,960	9,804*	5,219
70 to 74 years	16,250	9,028		
75 years and older	13,547	8,467		

*Includes all households headed by persons 65 years old and older

Source: *Midlife and Beyond*, The Consumer Research Center, The Conference Board, 1985

As might be expected, labor force participation is also inversely related to age. Those under 65 years of age are much more likely to be working than their older counterparts. According to the Bureau of Labor Statistics, 68 percent of the men and 42 percent of the women between the ages of 55 and 64 were working in 1984. In contrast, just 16 percent of the men and eight percent of the women 65 years old and over were active in the labor force that same year. Projections call for the number of mature workers to decline in upcoming years as the trend toward early retirement gains momentum.

However, some experts argue that this tendency may be offset by more companies retaining older workers as consultants or part-time help. Some may even start second careers as retail and foodservice operations recruit seniors to offset a shrinking teenage labor pool.

Mature consumers have money to spend

Today's older Americans are more affluent than any previous generation. Although they grew up during the economically deprived Depression years, as adults they took part in an era of unprecedented economic activity. Despite comparatively low education levels, many pursued careers which enabled them to accumulate savings and assets. Furthermore, a majority of them did or still do participate in employer-sponsored pension plans. These monies, coupled with the rapid expansion of federally sponsored income and medical support programs, allow most people in the mature segment to enjoy a relatively high standard of living.

One clear measure of the changing fortunes of older Americans is the decline in the number who fall below the poverty line. As recently as 25 years ago, approximately one out of every three older Americans lived below the poverty line. By 1984 only one in eight was so classified. Old age no longer automatically leads to poverty. In fact, evidence suggests that age really has very little to do with an individual's standard of living. Today's old poor most likely were yesterday's young poor.

Moreover, the income of older households goes further than that of younger ones because they are often smaller in size and have fewer large financial burdens. Households headed by persons between the ages of 55 and 59 have average per capita incomes of $11,557, the highest across all age groups. Although the level declines for older households, only those households headed by persons 75 years old and older have less income than households under age 35. Discretionary income*—the income beyond that which is needed to maintain a reasonable standard of living—is very high relative to younger households. This means older persons have a good deal of buying power. According to The Conference Board, more than 50 percent of the nation's discretionary income is held by householders age 50 and over. In contrast, householders under 35 years of age hold just one-fifth of the total. On a per capita basis, households headed by persons 65 and older have the most discretionary income. Those headed by persons between the ages of 50 and 64 have less than their older counterparts, but they still have more than younger householders. Failing to target this market means ignoring the segment with the most discretionary spending power, potentially a very costly mistake.

1985 population distribution

Twenty-one percent of the population is 65 years old or older

Age group	Number of persons (in millions)	Proportion of total population
Total U.S.	**239.3**	**100.0%**
Under 18 years	63.0	26.3
18 to 24 years	28.7	12.0
25 to 34 years	42.2	17.6
35 to 44 years	31.8	13.3
45 to 54 years	22.6	9.4
55 to 64 years	22.3	9.3
65 to 74 years	16.9	7.1
75 years or older	11.5	4.8

***Percentages may not total 100 due to rounding*

Source: *Statistical Abstracts of the United States, 1986,* U.S. Department of Commerce, Bureau of the Census, 1986

Few older persons have serious health problems

Advances in medical technology and increased awareness of diet and exercise have produced an older generation that is much healthier than in years past. In fact, when asked about their health, most mature people say they are doing well. A survey conducted by the American Council on Life Insurance found 70 percent of those between the ages of 50 and 64 rate their health as good or excellent; and, according to the National Center for Health Statistics, more than half the persons 65 years old and older say they do not limit their physical activities because of health problems. The American Association of Retired Persons (AARP) supports these findings. According to AARP studies, only three percent of those between 50 and 64 years of age need help performing personal care and/or home management activities, and just seven percent of those 65 to 74 years old require this type of assistance. It is not until they reach age 85 and older that a substantial portion—four out of 10—has need of assistance.

Overall, the majority of older Americans are robust and pursue activities eagerly. Traveling is at the top of the list. AARP has found that older persons set aside $20 billion for travel in 1985, and about seven out of 10 passengers on cruise ships were age 50 or over. Because they have few time constraints, they are frequent off-peak travelers.

The travel industry has divided the mature market into two major groups: 50 to 64 year olds and those 65 years old and over. The younger group, in general, is less money-conscious than the older group and tends to travel to more luxury destinations, hotels and resorts. The older crowd, on the other hand, tends to move in groups probably because there are more singles in this segment. This propensity for traveling is good news for the foodservice industry since travelers spend money for restaurant meals.

While at home, older Americans are active golfers, swimmers, tennis players and joggers, and they are carving out exciting life-styles vastly different from their counterparts in years past.

Spending for restaurant meals has increased

The argument that mature consumers do not eat out as often as do younger individuals holds true, but it seems to be changing. For example, the National Restaurant Association's *Meal Consumption Behavior Study,* found that 55 to 64 year olds eat, on average, 3.0 meals out per week, and those 65 and over eat 1.8 restaurant meals per week. Both figures are below the average of 3.7 meals per week. However, *Consumer Expenditure Survey*** results reveal spending for meals and snacks away

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**The Consumer Research Center of The Conference Board and the U.S. Census Bureau have defined discretionary income as the amount of money which would permit a family to maintain a standard of living comfortably higher than the average for similar families. A household is deemed to have discretionary income if its spendable income (income after taxes) exceeds that of households of similar income, size, age and area of residence by 30 percent or more.*

from home by older households has increased in recent years. According to the 1980/81 survey, households headed by persons between the ages of 55 and 64 spent $14.70 per week for restaurant meals, but by 1982/83 they were spending $20.31—a 38 percent increase. Not only did the dollar amount spent on meals and snacks away from home increase, but so did the proportion of the total food budget spent on dining out—up from 29 percent in 1980/81 to 34 percent in 1982/83. It is important to note that the average income of households in this age bracket increased nearly $10,000 during this period, and this may account in part for the dramatic increase in spending for restaurant meals.

Dining out also captured a greater share of the weekly food budgets of households headed by persons age 65 and over. In 1980/81, these households spent $8.47 per week at restaurants or 24 percent of their total food budget. By 1982/83, this group's expenditures for restaurant meals had risen 22 percent.

Mature consumers prefer family restaurants

Where do mature consumers go when they eat away from home? National Restaurant Association research has found that they most frequently patronize family or moderately priced restaurants. NRA's *Nutrition Concerns and Restaurant Choices Study* shows that in early 1986 more than 40 percent of the mature group's restaurant occasions were at moderately priced restaurants compared to 31 percent for all consumers. Mature consumers are less likely than younger people to patronize fast food places. Still, more than four out of 10 of their restaurant visits were to fast food restaurants. Older consumers, 65 and older, are more likely than their younger counterparts to visit upscale restaurants.

Mature consumers may prefer moderately priced restaurants, but evidence suggests they are expanding their horizons. Although they may be less likely than their younger counterparts to visit new restaurant concepts, many more of them are giving specialty restaurants a try. National Restaurant Association's study *New Restaurant Concepts, 1986*

Percent of occasions by restaurant type

Older adults frequent moderately priced and fine dining restaurants more often than the population as a whole

	Fast food	Moderately priced	Fine dining
All adults	58%	31%	11%
55 to 64 years			
Males	47	39	14
Females	44	44	12
65 years and older			
Males	42	43	15
Females	48	46	6

Source: *Nutrition Concerns and Restaurant Choices*, National Restaurant Association, 1986

Patronage of specialty restaurants*

Bakery items, barbecue, pasta and ice cream are top favorites with 55 to 64 year olds

	55 to 64 years old		65 years old and older	
Specialty restaurant	1985	1986	1985	1986
Hot dogs	na**	36%	na**	34%
Bakery items	na**	43	na**	41
Pizza delivery	25%	29	13%	22
Barbecue	30	1	28	43
Pasta	28	37	16	29
Gourmet hamburgers	21	27	15	22
Premium, hand-dipped ice cream	28	31	22	35
Diet/lite menu items	24	26	23	25
Asian fast food	17	22	15	22
Freshly baked cookies	18	20	18	16
Gourmet, ready-to-eat take out foods	12	20	11	20
Mexican-style chicken	13	14	7	12
Cajun, spicy cooking	9	14	6	9
Display cooking in front of patrons	12	11	9	10
Mesquite grilling	3	6	3	5
Sushi or sashimi	3	5	5	3

*Proportion of adults who patronized during first three months of 1985 and 1986

**na: not asked

Source: *New Restaurant Concepts*, National Restaurant Association, April 1985, July 1986

***The Bureau of Labor Statistics has used the* Consumer Expenditure Survey *to track consumer expenditures since 1888. Prior to 1980, the survey was conducted every 10 years but has since been conducted on an annual basis. The results discussed here are from the Diary portion of the survey for the years 1980/81 and 1982/83. These results exclude travel expenditures for food away from home.*

Use of restaurant promotions

Two-for-one and complete-meal specials are the most successful promotions with the 55-to 64-year-old segment

	Percent very or somewhat likely to use	
Type of promotion	**55 to 64 years old**	**65 years old and older**
Two-for-one specials	50%	40%
Cents-off coupons	37	39
Complete-meal specials	40	30
All-you-can-eat specials	36	19
Price reductions for midweek dining	31	29
Introductory menu item promotions	23	13
Early bird specials	22	22
Games and sweepstakes	9	8
Premiums and non-food merchandise	6	8
Special events in restaurants	13	12
Senior citizen discounts	28	44

Source: *Consumer Reactions to and Use of Restaurant Promotions*, National Restaurant Association March 1982

showed more consumers 55 years of age and older patronized specialty restaurants this year than they did in 1985. In fact, patronage increased for the older set for 10 of the 14 concepts included in both the 1985 and 1986 survey. The concepts that made the biggest gains with the older group were barbecue; pasta; gourmet, ready-to-eat take out foods; gourmet hamburgers and Asian fast food. These results suggest that while mature adults may not be the first to try new concepts, they can be won over in time. Nonetheless, the specialty restaurants mature adults patronized most frequently in 1986 included those offering bakery items, barbecue, hot dogs and premium, hand-dipped ice cream.

Mature consumers like to feel at ease when dining out

Good food, offered at a reasonable price and served by attentive, yet not overly aggressive, personnel are the qualities mature consumers are attracted to in restaurants. According to a Gallup survey, poor quality food and service are top reasons why older patrons will choose not to return to a restaurant. NRA's *Consumer Expectation Studies* reveals that older restaurant patrons like to dine in a familiar place where the staff makes them feel at ease. They tend to place a greater emphasis on interaction with restaurant personnel than do younger patrons, probably because they have more time to spend enjoying the occasion. Also dining out offers some older people, especially singles, much-desired social contact.

According to a focus group study conducted for NRA, other expectations mature customers have regarding food and service include:

☐ not having to wait for a table or being pushed into a lounge, especially when they have a reservation

☐ attractive presentations

☐ a quiet, relaxed atmosphere, including comfortable seating, fresh flowers and plants, properly adjusted room temperatures and

☐ cleanliness.

Effective promotions for mature consumers

Although mature consumers are not as likely to take advantage of deals as their younger counterparts, they are receptive to certain types of promotions, according to NRA's study, *Consumer Reactions to and Use of Restaurant Promotions*. In general, this market tends to be price/value conscious; therefore promotions that offer mature consumers more for their money tend to be more effective. The younger portion of the market, the 55 to 64 year olds, are most likely to take advantage of two-for-one specials and complete-meal specials. The older segments prefer senior citizen discounts as well as two-for-one specials. Cents off coupons and all-you-can-eat deals are also good promotions to target the 55-and-over market.

Nutrition concerns mirror mainstream

Adjustments already being made to adapt to society's changing attitudes toward health and nutrition may be all that is required to meet the dietary needs of the mature market. A recent study on health and nutrition found that many of the attitudes and behaviors of mature consumers are not that different from the younger patrons—although they are held to more strongly. At least nine out of 10 adults felt they are very or somewhat informed about health and nutrition.

Attitudes about restaurant fare were also quite similar for younger and older consumers. Consumers of all ages agreed that eating fruits and vegetables was important, and only a slightly larger proportion of older adults prefer broiled to fried foods than do those under age 55. Salad bars are favored by at least eight out of 10 adults under age 65 and by about six out of 10 adults 65 years old and older. More 55 to 64 year olds, however, wish restaurants offered more menu items for persons on restricted diets than do their younger or older counterparts.

A new challenge

Marketing to mature consumers represents a new challenge for many restaurateurs. The stereotypical view of the poor, frail older person who desires only life's necessities no longer holds true. The market today is a lively one, characterized by healthy, active people who have the means to indulge themselves. Attracting this market is not easy because of its diversity. However, operators who recognize its potential and take time to gather information about their food preferences and dining habits may be well rewarded both now and in the future as this market grows even larger. ☐

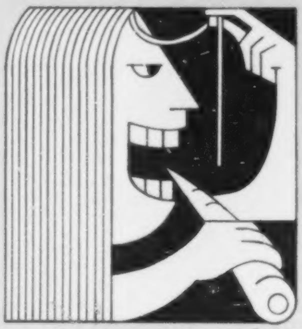
The Truth About TEN Food Folk Tales

For centuries food has been promoted as a remedy for the ills that plague mankind. Some of these folk remedies have some merit. The majority, however, have not withstood the rigors of scientific scrutiny. Here is a look at 10 of the more common food folktales.

1. Starve a fever. Digestion of food, hot or cold, increases the body's heat production, as evidenced by a warm feeling for an hour or so after a large meal. It is likely that this phenomenon is the root of the axiom. Since fevers produce a characteristically hot, uncomfortable feeling, why increase the body's temperature with food? In reality, a fever increases caloric needs—as much as 50 percent; yet, during an acute fever, appetite is poor. Luckily, the duration of a fever is usually short enough so nutritional needs are not seriously compromised.

2. Feed a cold with chicken soup. Eating chicken soup to treat the common cold may have merit because hot soup tends to clear stuffed-up nasal passages and enhance the flow of nasal mucus (the nose becomes more runny). Increased mucus helps shed some of the cold-causing viruses. In fact, warm or hot fluids in general seem to help cold sufferers.

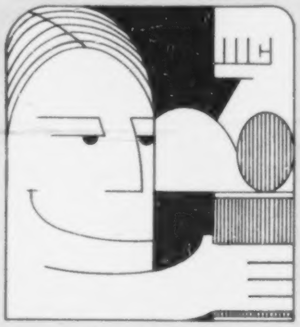
3. Carrots produce curly hair and good vision. Curly hair is a matter of genetics, not diet. But the connection between carrots and eyesight is certainly legitimate. Carrots are a good source of carotene, a compound responsible for the deep yellow/orange color of carrots and sweet potatoes. Carotene is converted to vitamin A during digestion, and vitamin A is an essential component of the visual pigment that maintains normal vision in dim light. Night blindness—difficulty seeing in dim light—is the earliest sign of vitamin A deficiency. Although vitamin A deficiency is rare in the United States, it is responsible for up to 100,000 cases of blindness, primarily in children, in developing countries.



4. Red beets and red wine strengthen the blood. Neither red wine nor beets are particularly beneficial to the blood. This misconception is probably a result of an erroneous association. Since blood is red, people reason, like-colored foods must be enhancing. Another similar wives' tale is that sour foods cause an acid stomach. The fact is the stomach's own digestive juice is more acidic than food, and the foods that stimulate stomach acid secretion tend to be proteins.

5. Iron pots enhance iron content. This common belief is true. The use of iron cookware actually inflates the iron content of foods, especially those with a high acid content, such as tomato sauce. One folk remedy for iron deficiency was to implant iron nails into an apple. This, in fact, is an effective procedure, provided the nails are removed prior to consumption. Implanted nails increase the apple's iron content by 100 percent.

6. Spinach builds muscles and strength. Contrary to the Popeye cartoon theme song, spinach will not build muscles or improve strength. Muscles need exercise to develop. Yet, spinach consumption will increase well-being since it is a good source of folic acid, a B vitamin that is used in the treatment of certain anemias. This leafy green also has an ample supply of vitamins A and C.



7. Fish is brain food. This is a nebulous claim. Although fish is an excellent source of high quality protein, which is essential for brain development, this process is about 90 percent complete by the fourth year of life. More appropriately, fish should be dubbed heart food. It seems that fish fat helps reduce the risk of heart disease.

Max Karl Winkler

8. Chew each bite of food 32 times. This directive is designed to reduce overeating, a technique that may or may not work, depending on the practitioner. In the late 19th century a British statesman reasoned that humans had 32 teeth, therefore each bite of food should be chewed 32 times. A 40-year-old, wealthy, retired American businessman Horace Fletcher popularized the theory in the United States. Fletcher, who was so physically unfit that he was refused life insurance, subscribed to the theory because it helped him slow down consumption and shed excess pounds. The practice became known as Fletcherism, and the nation embraced it. The only contribution Horace Fletcher made to nutrition is that he pointed out that obesity is linked to overeating.

9. An apple a day keeps the doctor away. Before dental medicine developed into a separate discipline, doctors took care of the whole body, including the teeth. Apple eating came the closest to oral hygiene, hence the recommendation to consume one apple per day. Apples are still referred to as nature's toothbrush. They are also a good source of the dietary fiber pectin, which delays stomach emptying and enhances the feeling of satiety.

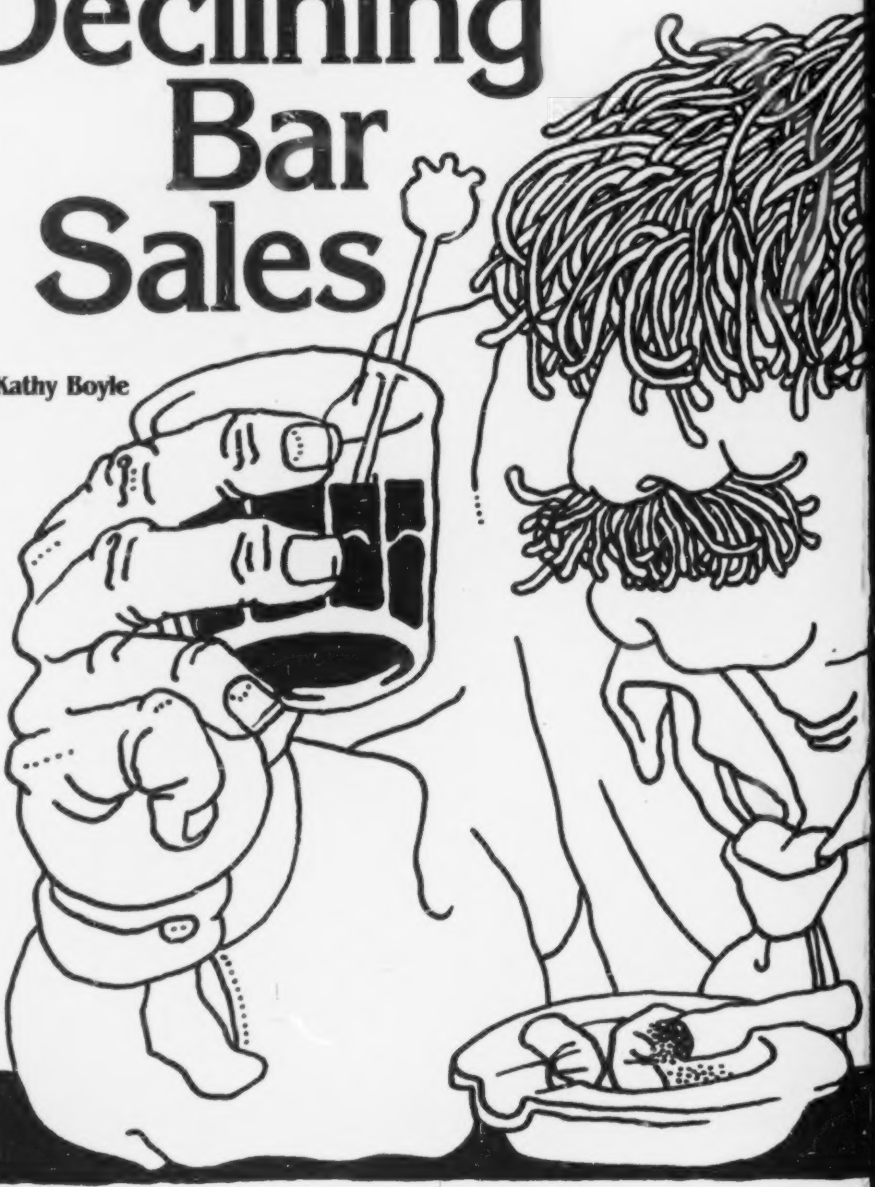
10. Drink gelatin for strong nails. There is no scientific proof that gelatin strengthens nails. Fingernails, like other body tissues, need protein for growth and maintenance. Although gelatin is protein, it is of poor quality, formed from the breakdown of the connective tissue of muscle in meat, fish and poultry. The protein in milk, eggs, fish and meats is far more beneficial.

—Claire Regan, R.D.

Strategies to Declining Bar Sales

by Kathy Boyle

People are drinking less. Restaurateurs know it and many are aggressively pursuing new business to replace lost bar revenues. The approaches vary from adding food or non-alcoholic beverages to completely revamping and changing the concept of the bar area. The strategies are working. In fact, restaurateurs find they are not only making up lost revenues, but quite often they are also exceeding past profits. In addition to the increased business, a growing number of operators find that their aggressive food and beverage programs have led to lower insurance costs.



Adding food

Adding food to the bar can be as simple as serving a few appetizers or as elaborate as converting the bar into a food center. In many cases, the addition of free, or relatively free, food has served as a drawing card and eventually boosted sales.

The Baja Cantina, a Mexican-theme restaurant in Marina del Rey, CA (125 seats including 75 seats in bar), cleverly located its special tortilla grill and an official 'tortilla lady' near the front door. "Customers are tempted by the selection when they enter," says Geri B. Phinny, daytime manager and mother of Pat Phinny, owner of the two Baja Cantinas. "When they see fresh tortilla and quesadilla appetizers being made to order, with duck, lamb and chicken, they decide to sit and relax and have a drink with an appetizer." Drink prices are not reduced. The grill also features skewered shrimp and other appetizers and doubles as a draw for Sunday brunch.

Another innovative approach is the "Hungry Hour," initiated six months ago at the J. W. Marriott Hotel in Washington, DC, in response to concern about drunk driving. The Hungry Hour is an all-you-can-eat, early evening buffet for one dollar. Proceeds from the one-dollar cover charge are given to various charities. According to June Farrell, director of media relations for Marriott Hotels and Resorts, despite the paltry cover charge, Marriott does not skimp. "We are serving really super-duper hors d'oeuvres very creatively presented. It is a revolving menu, but items may include a pasta bar, with a choice of various sauces and toppings, or a selection of high-quality deli meats, chicken or shrimp." Drinks remain full-price during the Hungry Hour. Due to the initial success in Washington, and the excellent publicity generated, Marriott has now gone nationwide with the concept.

Kathy Boyle is a free-lance writer in the Washington, DC, area who writes frequently for **Restaurants USA.** *Her most recent articles were on hydroponics and purchasing.*

Fight

Max Karl Winkler

Tom Foolery's, a 175-seat Victorian eatery and drinkery in Westborough, MA, with an 80-seat lounge, also serves a special selection of appetizers each evening. "Last year when Massachusetts prohibited discounting drink prices and banned happy hours, I was unaffected because I never discounted drinks," says E. Thomas McCabe, president. "What we would have given to the customer in reduced drink prices, we have given in food instead. I have always believed that 'happy hour'—between five and seven—is a special time of the day when people want to relax, unwind and meet with friends from work. They do not go out because drinks are cheaper."

That is why for the past three and a half years, McCabe has served an assortment of hors d'oeuvres during the early evening hours based on a different theme each night. Monday is "Taco Night;" Tuesday is "Italian Night;" Wednesday is "Swedish Night" with Swedish meatballs, cheeses, and fruits; and Thursday is "Whiskey Dog Night," featuring miniature cocktail hot dogs in a spicy hot whiskey sauce. In addition to the featured theme, "there is a constant flow of food out of the kitchen every evening," says McCabe. Trays go by with such hors d'oeuvres as pita bread pizza, tuna melts and bite-size quiches.

According to McCabe, serving free appetizers doesn't have to be that costly. "We are pretty well known for our own potato skins, and the by-product of potato skins, of course, is a lot of potato. We use the leftover potato for our own potato-cheese ball appetizers. All we do is mix the potato with cheese and some other ingredients, roll them into balls and deep fry them. They are very cheap to make, and they are a really popular item."

Along with the free daily appetizer specials, McCabe offers a reasonably priced hors d'oeuvre menu—high in protein and carbohydrates—because these foods are known to slow the absorption rate of alcohol.

Unlike Tom Foolery's, however, many operators have long depended on reduced drink price happy hours, which are rapidly being legislated out of existence. One restaurateur who has adapted well to the new focus on health and alcohol awareness is Donald J. Berchtold, owner of John's Meatmarket in Portland, OR (200 seats with 50 of the seats in the bar).

When Berchtold saw his bar business drop, he created an extensive, reasonably priced hors d'oeuvre menu, as well as a nightly selection of free hors d'oeuvres, and, more recently, a special line of lower alcohol drinks. "Our appetizer menu is reasonably priced, and to bring attention to it we printed it inside our cocktail napkins, which are always opened in front of customers when they sit down." The menu includes such selections as Chinese chicken salad, nachos, artichokes, and fish and chips. Free appetizers can include mini-tacos, mini-hamburgers, wontons and fried zucchini. They are a by-product of Berchtold's catering business. Each day Berchtold makes extra of whatever he will serve at catering jobs and serves them in his restaurant.

Revamping the bar

Some operators have decided that adding food to the existing bar was not enough. They have revamped the space. One operator who has accomplished this changeover successfully is Bill Main, co-owner of the Shorebird Restaurant in Princeton-by-the-Sea, CA (225 seats). Main says he realized three years ago that bars were not "in" anymore. So he converted his bar into an all-day cafe by changing the lighting, the background music and the decor to create a busier, more multipurpose environment. He also changed the menu. "When I began planning, I thought, 'Why just add appetizers?' Instead, I wanted to try a full cafe menu," explains Main.

What is a cafe menu? According to Main, in some ways the cafe is like a 24-hour coffee shop, with its informal atmosphere, but the menu is standard American seafood fare. "We have clam chowder; deep fried calamari; oysters on the halfshell; seafood salads, both shrimp and crab; crab and shrimp cocktail; crab-stuffed mushrooms; fried zucchini; fried onion rings; cheese garlic bread; tuna sandwiches; and one or two other simple sandwiches, including a real good hamburger for the non-seafood customer," he says.

The changeover has worked. "We are selling more food, and in dollars we are selling more liquor than we were before, with an overall 10 percent net increase in sales in the restaurant. As a ratio, however, liquor is down now in comparison to food sales. Our cafe attracted more people, and people attract people. We had underestimated the off-peak potential of getting customers. Some of this potential is a result of the work situation. The traditional nine-to-five job is changing with flex time, job sharing, two jobs in the workplace and, more consulting and freelancing. These changes plus more tourist travel mean there are a lot more people out there looking for something at three in the afternoon. Overall," Main concludes, "we developed another identity for the restaurant and appealed to a whole new market of individuals who had never thought of us before. It has been a great challenge, and we created an opportunity out of it."

"We serve our bottled waters like we serve our martinis—each in its own silver, mini ice bucket with crushed ice around the open bottle and a flower, usually a carnation, garnishing the ice."

Emphasizing low-alcohol or no-alcohol drinks

Complementing many aggressive food programs are equally ambitious low-alcohol and no-alcohol beverage programs. (See sidebar for definitions.) "We see certain low-alcohol wines and beers as a coming trend, and even though they may be a small portion of our business now, we want to gain experience in merchandising these new products," says Main.

M.T. Pier, co-owner of The Wine Cellar, a fine dining restaurant in Fort Collins, CO (132 seats plus 70 seats in lounge), agrees. "We want our customers to know we are enthused about their non-alcoholic choice of drink. For example, we have been carrying a non-alcoholic champagne for almost two years. Besides being a selling point for younger people, like those going to a prom or formal, the champagne is also attractive to our non-drinking customer. It still caters to the customer's sophistication. And by serving this customer graciously, we often make the group he or she is with feel comfortable."

Operators maintain, however, that they have not seen an overwhelming increase in sales of non-alcoholic or low-alcohol beers. Operators that do carry a selection generally only offer one or two selections.

Berchtold of John's Meatmarket sees an opportunity in low-alcohol mixed drinks. "Because people are more aware of their drinking habits, we saw an opportunity to serve lighter drinks. Now we offer either a slush, a juice or some other concoction each night with only half an ounce of liquor in it. This way the customer, who still wants a drink, can have two drinks before cutting himself or herself off," says Berchtold. An unforeseen bonus, adds Berchtold, is the positive effect on bartenders' morale. According to Berchtold, the creative low-alcohol drinks have become fun for the bartenders, too, who compete nightly for the best recipe. Each night a different liquor is featured: there is vodka night, tequila night, gin night and rum night. "And, I offer the lower alcohol drinks at a lower price, $1.25 each versus the $2.25 to $2.50 for a regular drink."

Dressing up specialty waters, juices

Mineral waters are catching on with patrons seeking an alternative to alcoholic beverages. One operator who has taken full advantage of the trend is David Migicovsky, owner of Coco's Sidewalk Cafe in the fashionable Bal Harbour Shops in Bal Harbour, FL (75 seats indoors, 75 seats outdoors). Nine months ago, Migicovsky added a line of five waters to the menu using what Migicovsky terms a "designer label" approach. Like fine wines in other restaurants, the mineral waters are vigorously marketed on their own menu with a description next to the name of each mineral water, explaining the type of water and its origin.

In keeping with the upscale marketing, the presentation of these waters is dramatic. Drawing on his background in the fashion industry, Migicovsky was determined to make a glamorous statement each time Coco's served a bottled water. "I see food as fashion," says Migicovsky. "I believe we eat with our eyes. So we serve our bottled waters like we serve our martinis," says Migicovsky, "each in its own silver, mini ice bucket with crushed ice around the open bottle and a flower, usually a carnation, garnishing the ice. We also bring a chilled wine glass." Migicovsky charges $1.95 to $2.25 for each bottled water. He is enjoying excellent sales.

In fact, sales are so good, that he has added bottled Belgian health spa juices. They come in apple, cherry, apricot nectar, pear and pineapple flavors and are served similarly to the waters. In addition, Migicovsky features fresh Florida fruit juices: "We serve our Florida grapefruit and orange juices in elongated, tulip-shaped champagne glasses, which are always garnished with either a fresh slice of fruit or a parasol as an accent," he says.

Adding appealing after-dinner beverages

Operators are rebuilding or bolstering their image and business with coffees,

Do you know the difference between non-alcoholic and alcohol-free?

The thirst for alcohol alternatives has sparked a surge of beverage products. With the variety of products has come a host of confusing and, occasionally, misleading terms. To clear up any questions you or your customers may have, here are some definitions for some of the most common terms.

Beer alternatives

☐ **Non-alcoholic.** These beverages are required by law to contain no more than 0.5 percent alcohol by volume. Although there are about 30 brands on the market, the segment accounts for less than one percent of all beer sales. Even so, the category has shown increased growth in the last few years and, because of consumer demand, should continue to pick up steam.

☐ **Alcohol-free.** Although the terms "non-alcoholic" and "alcohol-free" appear to be similar, alcohol-free malt beverages must contain absolutely *no* alcohol. Alcohol-free malt beverages are not fermented (which prevents alcohol production), while most non-alcoholic beverages go through the fermentation process and then the alcohol is extracted.

☐ **Low-alcohol.** These beverages generally contain about 2.5 percent alcohol by volume—about half the amount in regular beers. Although there are about 20 brands available, this segment accounts for a smaller proportion of total beer sales than the non-alcoholic beer category.

☐ **Lite or light.** Light beers have established a definite niche in the beer market. With more than 50 brands now available, they account for nearly 22 percent of total beer sales.

Light beers contain little or no sugars, which lowers their caloric content. In general, they average around 100 calories per serving, compared with 150 calories in most beers. Their alcoholic content, however, is only slightly less than regular beers—between three and four percent versus the average five percent found in most beers.

The term "light" was originally used to identify a lighter-colored brew, but it has evolved into a term connoting low-calorie or low-alcohol. That is why the Bureau of Alcohol, Tobacco and Firearms (BATF) has ruled that all light or lite beers must specify an average analysis of calories, carbohydrates, fats and proteins on their labels.

Wine alternatives

☐ **Wine coolers.** One of the most popular wine-based alternatives, this segment is growing rapidly and now accounts for approximately one-fifth of total wine sales.

Because wine coolers are made with half wine and half fruit juices and carbonated beverages, they contain less alcohol by volume than most table wines—four to six percent versus 11 to 14 percent. Wine coolers also have fewer calories per ounce than do table wines—18 calories per ounce compared with 22 calories. This does not necessarily mean that wine coolers are low-calorie beverages, however. Because most coolers are offered in 12-ounce servings, they actually contain almost twice as many calories *per serving* as an average six-ounce glass of wine.

☐ **Low-alcohol.** These beverages are table wines which have had some alcohol extracted from them. Generally, they average between seven and 10 percent alcohol by volume and contain about 45 to 50 calories per six-ounce serving. These beverages have not been too successful, partially because wine coolers have a similar alcohol content and have swallowed much of the available market. Little growth is forecast for this segment.

☐ **Non-alcoholic.** Like their similarly-named beer counterparts, non-alcoholic wines must have only 0.5 percent (or less) alcohol by volume. Because new dealcoholizing techniques have added more flavor to these beverages, industry experts expect the segment to experience significant growth.

☐ **Light.** As of now, the term "light" on wine labels can be somewhat misleading. Unlike light beers, light wines do not necessarily have lower caloric counts or alcoholic ratios. Legally the phrase "light wine" is actually synonymous with the term "table wine." Consequently, light wines do not have alcohol content parameters and generally average between seven and 14 percent alcohol by volume.

Due to confusion regarding the term, the Bureau of Alcohol, Tobacco and Firearms has proposed regulating wines labeled "light." Under such a ruling, all light wine labels would have to include an average analysis of contents (similar to those found on light beers), including total carbohydrates, calories, fats and proteins.

☐ **Varietal grape juices.** These beverages can also cause confusion because of the way they are marketed. Since varietal grape juices are made with the vinifera grapes usually used in wines, they are sometimes marketed as non-alcoholic wines. This is a misnomer because the grapes in varietal grape juices have not been fermented, which means the beverages are not wines at all. To avoid customer misunderstanding or misordering, group these beverages separately on your menu.

ciders and dessert drinks. Migicovsky, for example, added a selection of calorie counters on his dessert menu, including a 25-calorie "Strawberry Coffee Freeze," made with fresh strawberries and Sanka. It sells for $3.25. He also markets a large line of espressos and grinds fresh coffee every 20 to 25 minutes to release the smell of fresh coffee into the restaurant. Berchtold of John's Meatmarket also has been very successful serving non-alcoholic coffees in his dining room. He uses flavorings to imitate liquors.

The 90-seat Lark Creek Inn in Larkspur, CA, set in a Victorian mansion, recently added several "Warm Ups"—non-alcoholic ciders and coffees—to the bar menu. "Although the drinks are not a big profit center for the restaurant, they fit in with the health consciousness of the Marin County area and the Lark Creek Inn's sensitivity to the community," explains Millie Howie, the inn's public relations consultant. Since the restaurant is located in apple-growing country, the Larkspur added two hot cider drinks—a "Hot Tempter," which features hot cider, orange zest, clove, nutmeg, a cinnamon stick and is available with or without brandy or rum, and the "Hot Spicer," which features hot cider, a float of fresh cream and freshly grated nutmeg. The hot coffees use instant dissolving cocoa and cinnamon and a float of cream or whipped cream with vanilla and sugar.

Adding ice cream drinks, often known as smoothies, has worked well for other operators. Drawing from its experience running hotels in the Middle East, where there is a large, non-drinking Moslem population, Marriott Hotels in this country quickly adapted some of its Middle Eastern beverages to meet the needs of an increasingly more alcohol aware public. These include smoothies (yogurt-based drinks), fruities (fruit juices with no cream bases) and fizzes (fruities combined with carbonated beverages).

Ice cream drinks may not suit every establishment, however. Berchtold of John's Meatmarket in Portland, OR, tested an ice cream machine in his operation but decided against it. "It never went real well," he says. "I think we have more mature customers, and they are not coming in for an ice cream drink."

Adding fun

Adding entertainment to draw in new business continues to be another strategy for boosting business. The Sweetwater Cafe, located in Cleveland, Ohio's playhouse district, draws on the talents of its aspiring waiters and waitresses, who can perform everything from Broadway numbers to country music. "The impromptu performances have the effect of increasing business in general," says Gary Lucarelli, owner. "Employees like it, too, because they get exposure to critics and producers dining in the cafe," he adds.

Tempting non-alcoholic beverages

☐ Italian soda

Fill a tall glass with ice and pour in the customer's favorite Italian soda to within about one inch of the rim. Float whipped cream on top. Garnish with appropriate fruit to complement flavor of soda.

☐ Baltimore Park punch

Mix equal parts of orange, grapefruit and pineapple juice with a dash of grenadine and orgeat syrup. Blend well and pour over ice in a tall glass. Garnish with a cherry and a pineapple spear.

☐ Fresh fruit freezer

To your selected fresh fruit, add equal parts of crushed ice and sweet-and-sour mix and a dash of grenadine. Whir in blender. Garnish with fruit of choice.

There should be just enough liquid to cover ice in blender so that the mix stays in frozen state and does not become liquid.

☐ Coconut pineapple freeze

Place equal parts of cream, sweet-and-sour mix, pineapple juice and coconut cream into blender. Whir until consistency of a pina colada.

☐ Winter warm-up

To one gallon jug of cider, add 12 to 15 whole cloves, ½ stick cinnamon, one tspn. powdered ginger, one tspn. powdered nutmeg and orange twists (equal to skin of ½ to one orange). Simmer together one hour. Pour into mugs and top with twist of orange.

—The Lark Creek Inn

The Wine Cellar, on the other hand, decided to focus on weekend lounge business by adding live jazz on Friday and Saturday evenings. "We are the only live jazz house in the area, and we've had an excellent response to our efforts to revitalize jazz," maintains M.T. Pier. In addition, Pier believes jazz fits the more culturally upscale image The Wine Cellar is now establishing for itself.

How important entertainment can be in a restaurant is underscored by the success of McFadden Ventures. McFadden Ventures, with 45 units in 18 states and Japan, is the largest entertainment club in America. Although 88 percent of its business comes from liquor sales, McFadden has managed to survive and even prosper in an environment where liquor sales are declining. "We are selling entertainment," says Abbott S. Estrin, vice president for McFadden Ventures, "and liquor is a by-product of that entertainment. We have an environment that does not cater to drunks. Our check average of $7.00 per person represents, at the most, two drinks. We are selling entertainment, ambiance, fun and a place to meet and talk to contemporaries."

To keep pace, McFadden Ventures tries to keep its club environments fresh, inviting and up-to-date. "When backgammon was the rage, we had backgammon clubs. Then it was the urban cowboy, and today we have seven different club concepts—everything from an ocean club to a Colorado vacation home atmosphere. If one atmosphere is not working, within three weeks we convert it to another concept," explains Estrin.

In sum

Despite the fact that liquor sales are down, many operators have been able to devise unique plans for replacing the lost revenue. "Alcohol awareness has been a dark cloud with a real silver lining for us," says Main of the Shorebird. "We changed the identity of our bar and, as a side effect, gained new customers and increased sales. At the same time, we have been able to sell our insurance company on our aggressive food program by telling them the things we are doing to dilute our liquor problem: more food, higher percentage of food to alcohol and the changeover from a bar to a cafe." ❑

COMMISSARIES
Large Opportunities For Small Operators

Commissary kitchens, once associated primarily with vast, multiunit operations, fleets of trucks and massive quantities of precooked foods, are undergoing a change in image. Smaller operations, some with as few as two units, are developing central kitchen systems, personalizing the basic concept to fit their individual needs while taking advantage of the commissary system's economic and competitive benefits.

On September 19, new legislation went into effect which exempted restaurant central kitchens from federal inspection (see "Washington Report" for specifics). Consequently, central kitchens should become even more economically feasible for small operators. In addition to this encouraging legislation, there are many other reasons small operators may want to consider commissary kitchens.

by Cecelia Niepold

Quality control

Tony Packo, owner of the two-unit Tony Packo's Cafe (300 and 120 seats; Toledo, OH), installed a commissary kitchen three years ago when he opened his second Hungarian-style restaurant. The impetus behind the decision was controlling the quality of food at two different locations. "Different chefs with different pots create different flavors," he explains. "We wanted to reduce the chance of that happening."

Although concerned at first that two units might be too few to justify a commissary, Packo is now a firm believer in the merits of a central kitchen. "We were afraid that if we produced food in large quantities—if we didn't have someone stirring each pot—the food wouldn't taste as good," he says. "We were pleasantly surprised," he laughs. "The food actually tastes better. Plus, we have a great deal of control over the quality of food served at both restaurants."

Reduced operating costs

Like Tony Packo, many operators begin to consider commissary kitchens when contemplating expansion. Although it is crucial to carefully evaluate the benefits versus the overhead costs of a commissary before rushing out to buy additional space (see accompanying article), substantial benefits *can* be gained—even with only a few satellite units.

■ **Food costs.** Even small operators can achieve valuable economies of scale when using a commissary kitchen system. Buying larger quantities, even if purchases seem small in comparison with larger firms, can still mean valuable cost savings.

"Our food costs went from 40 percent to 30 percent," maintains Tony Packo. "It wasn't a little drop—it was a head-turning drop." Packo has been able to put the resulting savings into higher quality products.

Buying in bulk also gives small operators more leverage with suppliers. "In separate kitchens you can get robbed blind," laments Ronald Kawitzky, co-owner of Checkers, a four-unit, 50-seat chicken and barbecue operation in New York, NY. "We definitely get better prices now that we are buying larger quantities."

Central kitchens can also help small operators control food costs by increasing efficiency. "It is a much more economical way to allocate scarce resources," maintains Kawitzky. "We can ship food to where it is needed. We don't underload or overload stores, so we cut down on waste."

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■ Labor costs. Labor costs, particularly for a small firm considering expansion, can be tremendously draining. A central kitchen can cut down those costs by concentrating skilled, higher salary employees in one location.

At The American Cafe, a Washington, DC-based company with seven eateries and four take out markets, 70 percent of all food preparation occurs at the central kitchen. "Anything that involves expertise with ingredients or recipe development is done in the central kitchen," says Matthew Spielman, general manager, foodservices. "We have one person who works the grill at each restaurant, and the rest basically assemble the plates and add the garnishes," he explains. "By putting most of our skilled employees in one place, we don't double our labor costs."

Because American Cafe expects to expand in the future, its 10,000-square-foot commissary was built to accommodate at least four more restaurants. The company's philosophy is that as the chain grows, the central kitchen will continue to help control overall operating costs.

When do commissaries make sense?

Certain conditions are necessary for a centralized commissary to operate efficiently. Research has demonstrated that in order to establish a successful commissary, an operator generally needs a minimum of four geographically clustered satellites—the larger the number, the more cost-efficient the operation.

Desirable, but not mandatory, are

☐ plans for a rapid rollout of new units

☐ need or desire for large menu variety with minimum inventory

☐ desire for absolute quality and consistency

☐ ability to utilize commissary at full capacity, either for primary business alone or through supplemental contracting

☐ pursuit of low-cost production methods through the reduction of waste and pilferage and

☐ desire for cost-effective access to technologically advanced production methods.

—The New Directions Group, Inc.

■ Building/equipment costs. For many small operators, the cost of expansion may seem to outweigh the benefits of additional units. For instance, when Ron Kawitzky of Checkers decided to add more units, he was dismayed by the prices in the high-rent Manhattan market. He found that a commissary kitchen was actually the most affordable way to expand.

"Space is at such a premium in our area; it didn't really pay to have kitchens in all the stores," he explains. Consequently, the company developed a 3,500-square-foot commissary in nearby Brooklyn which delivers freshly prepared food daily to the restaurants. "It was quite an extravagance at the beginning," admits Kawitzky, "but it has proved to be invaluable." Because the restaurants' prep areas are small, the units have more seating space—generating more dollars per square foot.

Central kitchens can help hold down equipment costs as well. "Obviously, it becomes more expensive to multiply new equipment by five," says Kawitzky. Buying new equipment for only one main kitchen has enabled Kawitzky to buy a variety of appliances and, at the same time, expand his product line. "We can now offer many more items, such as homemade salads, calorie-counted items and marinated chicken wings, because we aren't restricted by limited kitchen spaces and equipment in the restaurants."

Expansion opportunities

As Ronald Kawitzky found, a commissary kitchen often opens new avenues of expansion—particularly important for small operations concerned with boosting their bottom line.

Catering is a prime means of generating new revenue. John Miller, co-owner of Bill Miller Barbecue Enterprises in San Antonio, TX (average 125 seats), believes catering and central kitchens are natural partners. "We do a big catering business; it complements our operation perfectly," says Miller, whose firm has grown from three units supported by a small central kitchen to 37 units operating from a 70,000-square-foot commissary.

Producing specialty items for retail or wholesale markets is also more feasible with a central kitchen. Tony Packo's, for instance, now bottles six different items for grocery and retail stores, ranging from hot peppers to a signature hot dog sauce.

Ronald Kawitzky also plans to market Checkers' salads and sauces. "My goal is to turn the commissary into a profit center and make it completely self-sufficient," he avows. And it is possible. With careful planning, creating a profitable central kitchen operation is feasible for even the smallest operators.

Watch your image

Although there are many positive points about commissaries, there are also some potential negatives. One which pertains primarily to small operators is "image."

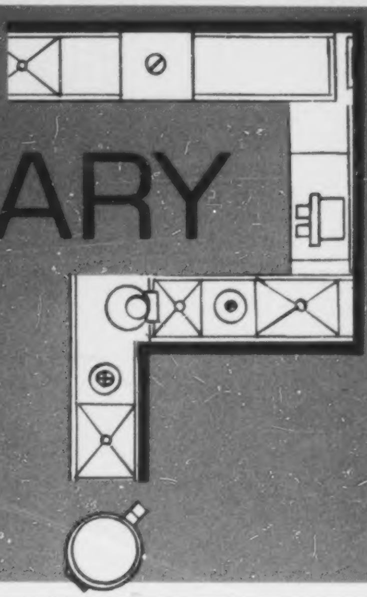
Even though central kitchens are becoming more common in small operations, they are still associated with huge, impersonal, multi unit chains. Consequently, some small operators with commissaries have taken steps to ensure their operations maintain a personalized image.

"We were concerned that people might drive by and say, 'How can you cook good barbecue without any smoke coming out of the chimney?'" admits John Miller. "But, to ensure that people didn't associate our food with mass production, we made sure our stores weren't plastic-looking by adding plenty of brick and wood accents."

Checkers, too, has been developed to not look like a commissary. Each restaurant has its own theme and decorative touches, such as imported Italian tile and artwork by local artists. Every eatery also has an open grill where customers can watch some of the barbecued items being prepared.

Dee Ruma, owner of Dee Ruma's Deli, a 60-seat, seven-unit operation in St. Louis, MO, which features pasta, salad and pizza, has taken a somewhat different approach. Each of her commercials focuses in on one employee with copy such as, "Your bread is baked fresh by John." "People love it," says Ruma. "It shows that even though we have a commissary, it is still a personalized family-run operation." ❑

Is a COMMISSARY Right for Your Operation



by J.M. (Woody) Woodburn

Commissaries are centralized food preparation facilities that provide increased production control and efficiency in the areas of purchasing, inventory control, production and quality control. One of the underlying beauties of the commissary system is that high-rent space is dedicated primarily to high-profit seats and low-return kitchen space is located in a low-rent warehouse.

However, there is a lot more to planning a commissary system than may appear initially. Commissaries are clearly not for everyone.

To succeed with a commissary, a restaurant must have

☐ the right market niche

☐ expansion potential in the area of products, service and markets

☐ a solid monetary standing and favorable projections

☐ the need for standardization in the areas of production, staffing and controls and

☐ a suitable menu, which makes centralized production feasible.

Is a commissary feasible?

Once you have determined whether a commissary has potential for your operation, it is time to question if it is feasible by reviewing labor requirements, purchasing, production, transportation, facilities and equipment.

Can your highly trained kitchen workers be kept busy?

Most anyone in the industry can identify labor as the least controllable, most expensive factor in operations. The turnover rate for restaurants is typically 40 to 80 percent per year and, in fast food, it can be 400 percent. By centralizing operations for multiple units, you can significantly reduce skilled labor requirements. In a commissary, highly trained kitchen workers can practice their craft eight hours a day without the peaks and slow times. Time is not wasted switching from one task to another, and workers can become more efficient when practicing only one or two specialized tasks. In the satellites, a full kitchen is not required and less specialized employees can adequately accomplish the limited amounts of cooking and preparation.

As the commissary grows, however, the technology becomes more complex and will necessitate more highly skilled specialists in the areas of management, production and quality control. You may require outside help from a foodservice consultant or food technologist until the operations warrant a staff position with such expertise.

Do you purchase enough items to warrant centralization?

How much time does staff in each outlet currently spend in purchasing, processing paperwork and receiving? Purchasing costs can be high, sometimes in excess of $15 per order.

With a commissary you can cut down on these costs by quantity buying, opportunistic purchases, seasonal price reductions and transportation cost reductions with quantity receiving capabilities. Centralization can also reduce overall inventory, assure faster turnover, provide the opportunity for tighter controls and may enable the commissary to use more "raw" product. For example, a commissary can grind its own beef instead of buying it ready-made and save valuable pennies per pound.

Are you prepared to rethink production?

Can your recipes and production techniques be standardized? Do you throw out by-products, which in small quantities are unusable but in large quantities can be utilized? Are you prepared to buy new labor-saving equipment and implement new techniques? If so, a commissary may be for you.

A cook/chill system, for example, is a basic consideration for all but the smallest of operations. Cook/chill is a system of cooking, packaging and quick chilling, which enables products to be held and refrigerated for up to five days with traditional packaging and three weeks by using vacuum packaging. In this way, you could cook your prize chili once a week instead of every day! The trick to the technique is in the chilling process; rapid cooling to slow enzymatic and bacteriological de-

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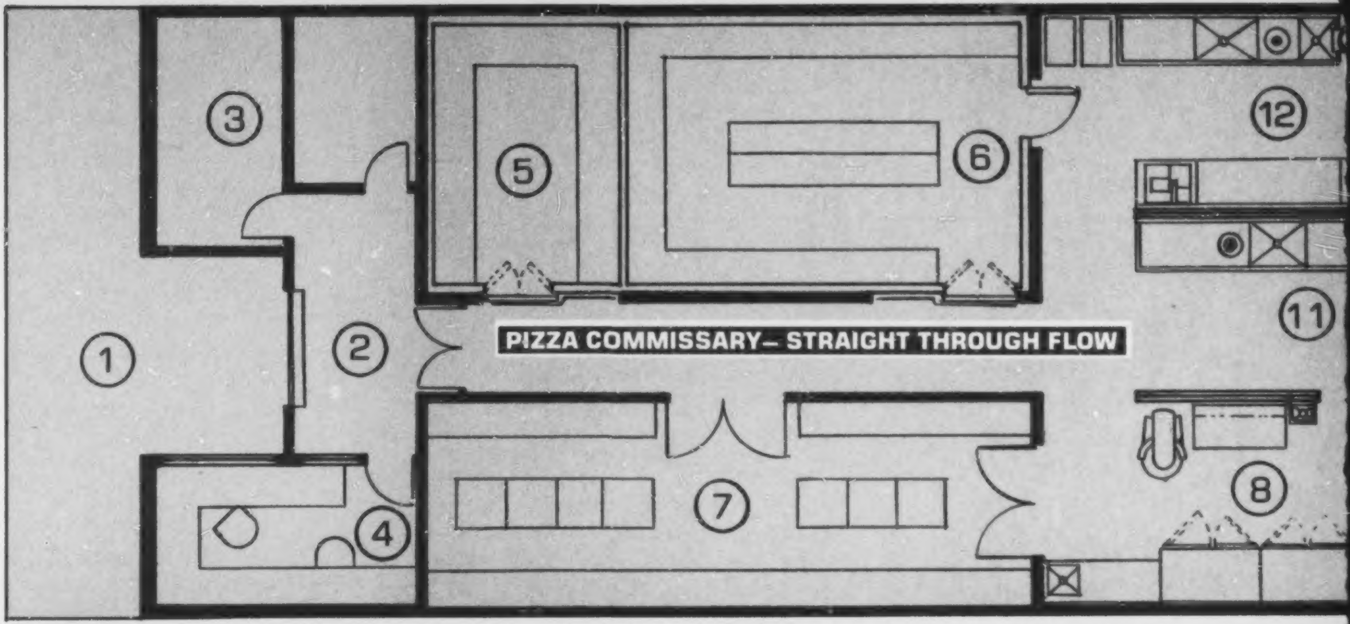


PIZZA COMMISSARY— STRAIGHT THROUGH FLOW

1. Loading dock
2. Receiving
3. Employee lockers
4. Office
5. Storage freezer
6. Storage cooler
7. Dry goods storage
8. Bakery prep
9. Bulk cooking
10. Quick chill units

terioration of the food allows an increased holding time without product decay. The beauty of this system is that it requires no ingredient or preparation changes and, for the current "fresher is better" marketplace, no preservatives.

The time and effort in the cooking are generally saved at the serving end. Even moderately skilled labor can easily rethermalize (heat) the chilled product, plate it and serve it. The potential here for saving labor, utilities and space is very significant.

You will need to rethink recipes because volume measurements used in small batches (teaspoon, ½ cup, etc.) can be as much as 20 percent off when interpreted into the weight measurements for higher volume recipes. Recipe scaleup into larger quantity production must be thoroughly tested for taste and texture consistency. Also be aware that if a mistake is made in assembling a volume recipe, the cost of that error is magnified by the batch size.

Moreover, other types of production/holding techniques rapidly become complex enough to warrant a food technologist in such areas as substituting starches in sauces for freezing and adding preservatives and/or stabilizers for packaging or canning, etc.

The feasibility of producing any of your menu products in your own commissary should always be compared to the availability of a similar, equal product from a local or regional purveyor. The purveyor's existing capabilities may make an investment on your part economically unsound. Some companies also specialize in purchasing and warehousing and can supply to your specifications.

Planning commissary transportation

Here are some factors to consider when planning a transportation system for a commissary.

☐ All packaging should be strong enough to withstand handling and transportation. For example, liquid containers should be splashproof. The use of disposable packaging may be a good solution for container handling and warewashing, but adds its own set of problems in storage and waste disposal.

☐ Arrangements should be made for the movement of bulk containers or shipping modules, such as securing handlift cabinets, which are not heavy, dollies, cabinets and pallets with large wheels.

☐ Strength and durability of cabinets and racks should be assured with extra bracing on cabinets, transport locks on doors, tie-downs in trucks to secure loads, bumpers and reinforced handles and reinforced doors and heavy hinges.

☐ There should be systemwide accessibility at the commissary and at each unit. Items needed for this task include truck docks or hydraulic tailgates on trucks, ramps at all level changes and wide enough doors and passageways.

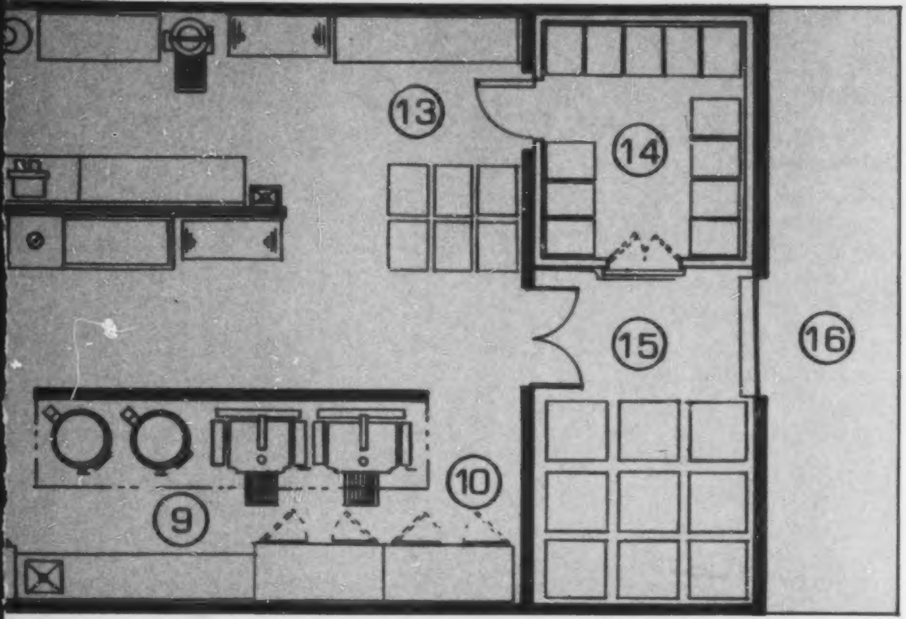
☐ Shipping containers and modules must be staged and stored throughout the system.

☐ Where and how cleaning and sanitation take place for all parts of the system should be spelled out. Make sure that all parts are cleanable, including product containers, shipping modules (cabinets, racks, pallets), trucks and shipping docks.

☐ Ongoing costs for system maintenance should also be considered.

Are you ready to invest in a transportation system?

The cost of the transportation system is



11. Ware washing
12. Cold-vegetable prep
13. Packaging
14. Shipping cooler
15. Shipping
16. Loading dock

a major factor in assessing commissary feasibility because it is the vital link between the centralized unit and the satellites. If the commissary is not close to its satellites and its suppliers, if the transportation route is subject to frequent rush-hour delays or if the satellites do not have easy entry/exit points, distribution costs can offset the advantages of mass production. Adverse travel conditions can result in a deteriorated product.

Designing commissary kitchen space

When designing the kitchen space in a commissary, keep in mind the need for

- ☐ **minimized flow patterns**
- ☐ **level floors, especially at walk-ins, for good handling of materials**
- ☐ **rubrails and cornerguards in high-traffic areas to preserve the structure**
- ☐ **trash handling, including cartons, cans, fats, oils, and garbage**
- ☐ **multiple, flexible utility connections to assure ease of equipment substitution or relocation**
- ☐ **adequate station lighting and**
- ☐ **hose stations for entire facility washdown.**

When assessing the transportation costs, consider the costs of the delivery vehicles and the holding materials, including the type of packaging or product containers and shipping modules (racks, cabinets, pallets). Don't forget that refrigerated products must be maintained, either by insulated containers and eutectic plates or with mechanical refrigeration in the carts or on the truck. (See sidebar for further details.)

Have you considered additional facilities and equipment?

Not just any site will do for a commissary. It must be close to the market areas (satellites), situated in a "warehouse" location to reduce lease rates, accessible to major highways and railways for product transport and convenient to public transportation to expand the available labor pool.

Generally, the layout of the commissary should follow a very defined and functional flow pattern. The major points of flow are receiving, dry and refrigerated storage, cold and hot processing, chilling, refrigerated and dry staging and product shipment. The most simple layout is a straight line—raw product is received at one end, stored and processed, and finished product is shipped from the other. Unfortunately, most buildings do not have the luxury of loading docks on both ends, and there are advantages to compressing the flow pattern into a "U" shape.

Product test stations—to test the food at various points in the production cycle—and extended holding areas may be required by codes. Checkpoints for quality and quantity are required for good control and should be planned for proper flow and space.

A commissary will undoubtedly require some investment in equipment. The range of equipment for centralized production is as diverse as the types and sizes of operations. On the small end, transplanted restaurant equipment, used much more efficiently, may be adequate. On the large end, it can go up to full "factory" production/automated manufacturing. Labor-saving equipment, too expensive to use in traditional kitchens, can be cost-effective in a commissary.

Utilization is the key to equipment. For instance, a food processor that has the capacity to shred 200 pounds an hour is rarely used for one hour in a restaurant. However, it could produce three-quarters of a ton of product in one day of commissary operation. This represents a great payback compared to six machines in six restaurants sitting idle 80 percent of the time.

All the central kitchen equipment and smallwares should be specified from a systems approach: one pan size (or fractions) for all production cooking and cold food prep and one pan size for baking. In addition, food processes should be consolidated as much as possible, such as vegetable prep, cooking, baking, packaging, etc.

In a commissary, you need high-quality equipment that is reliable. If you are pushing your equipment to near peak capacity, malfunction and downtime can be disastrous to the system. That is why an initial investment in only the best equipment pays off in the long run.

Summary

As this article suggests, planning a commissary system involves quite different considerations from planning a traditional kitchen. But given the right conditions, the advantages of operating a commissary can be numerous—from simplified production to increased quality control. ☐

MENU MERCH

by Claire Regan

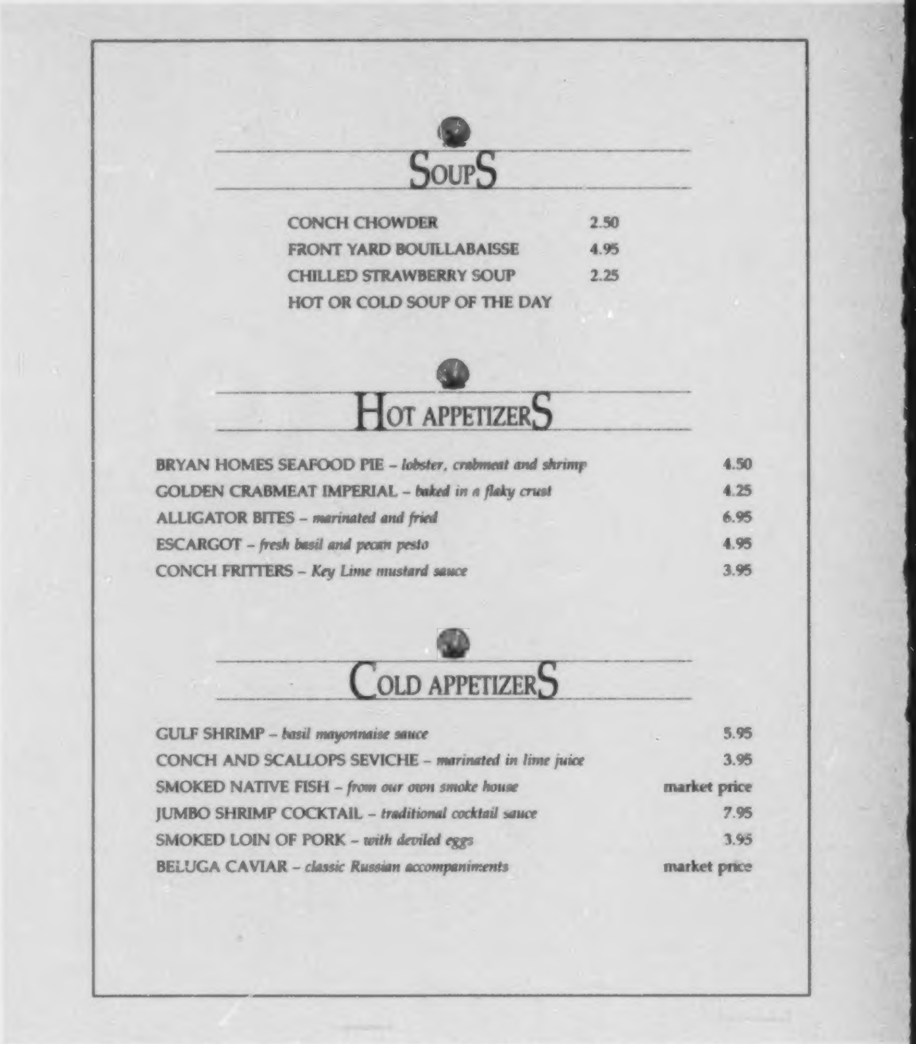
Ask your patrons to define the primary purpose of a menu, and you'll get a variety of responses—to educate, to inform, to entertain, to be visually pleasing. But, among restaurant operators, consultants and critics there is little argument: First and foremost, the menu should sell.

Many factors contribute to the selling power of a menu, but one that is frequently overlooked is descriptions of menu items. "It is a grave mistake to merely list the items on a menu," warns John Rosson, restaurant columnist and food writer for *The Washington Times* and two-time judge in NRA's Great Menu Contest. "American diners are intimidated by unfamiliarity. They're not inclined to ask questions or force explanations; they will just not order an unfamiliar menu item."

Customers should know what they are getting

Sam Trapani, who runs Peaches, a 90-seat, contemporary, fullservice restaurant in Rochester, NY, agrees with Rosson that menus should describe food in an honest but attractive manner. Trapani views his menu as a suggestive selling tool and goes to the trouble to include descriptions for everything from garlic bread to eggplant scallopini. "It's important for customers to know what they are getting. They tend to be more satisfied and less prone to send food back to the kitchen. Plus, I like to modify popular, common dishes to make them uniquely Peaches. This requires descriptions," he says. Trapani also believes descriptive copy on the menu motivates his cooks to maintain a certain degree of consistency.

"You can't assume that all your patrons are familiar with a particular dish, even if it's a common one," adds Steve Thom, owner of Steve's Restaurant, an 85-seat operation in Buffalo, WY. Thom maintains that even a simple description of the ingredients increases the likelihood of selling the food. "I tried hokey descriptions, but they just confuse people. Terms like 'luscious' and 'golden brown' are useless and turn people off. I try to emphasize the main ingredients—their quality and freshness." Thom practices what he preaches. The "Brother John's Veal" on Steve's menu is described as "sauteed veal, fresh apple slices, green peppercorns, sweet cream and cognac."



SOUPS

CONCH CHOWDER	2.50
FRONT YARD BOUILLABAISSE	4.95
CHILLED STRAWBERRY SOUP	2.25
HOT OR COLD SOUP OF THE DAY	

HOT APPETIZERS

BRYAN HOMES SEAFOOD PIE – *lobster, crabmeat and shrimp*	4.50
GOLDEN CRABMEAT IMPERIAL – *baked in a flaky crust*	4.25
ALLIGATOR BITES – *marinated and fried*	6.95
ESCARGOT – *fresh basil and pecan pesto*	4.95
CONCH FRITTERS – *Key Lime mustard sauce*	3.95

COLD APPETIZERS

GULF SHRIMP – *basil mayonnaise sauce*	5.95
CONCH AND SCALLOPS SEVICHE – *marinated in lime juice*	3.95
SMOKED NATIVE FISH – *from our own smoke house*	market price
JUMBO SHRIMP COCKTAIL – *traditional cocktail sauce*	7.95
SMOKED LOIN OF PORK – *with deviled eggs*	3.95
BELUGA CAVIAR – *classic Russian accompaniments*	market price

The Historic Bryant Homes Restaurant in Fort Lauderdale, FL, has found that

Brief descriptions are the trend

Such brief descriptions are the trend, according to Jack Miller, restaurant consultant and chairman of the Hospitality and Restaurant Management program at St. Louis Community College in St. Louis, MO. "Years ago when patrons were less familiar with dining out and different food items, they needed lots of written descriptions. But, now that patrons are more educated about food, the descriptions should be informative but brief."

In fact, some operators have painted themselves into a corner by saying too much. Anthony Gillette, owner of The Historic Bryant Homes Restaurant in Ft. Lauderdale, FL, (176 seats), which specializes in Floridian cuisine, used to include comprehensive descriptions

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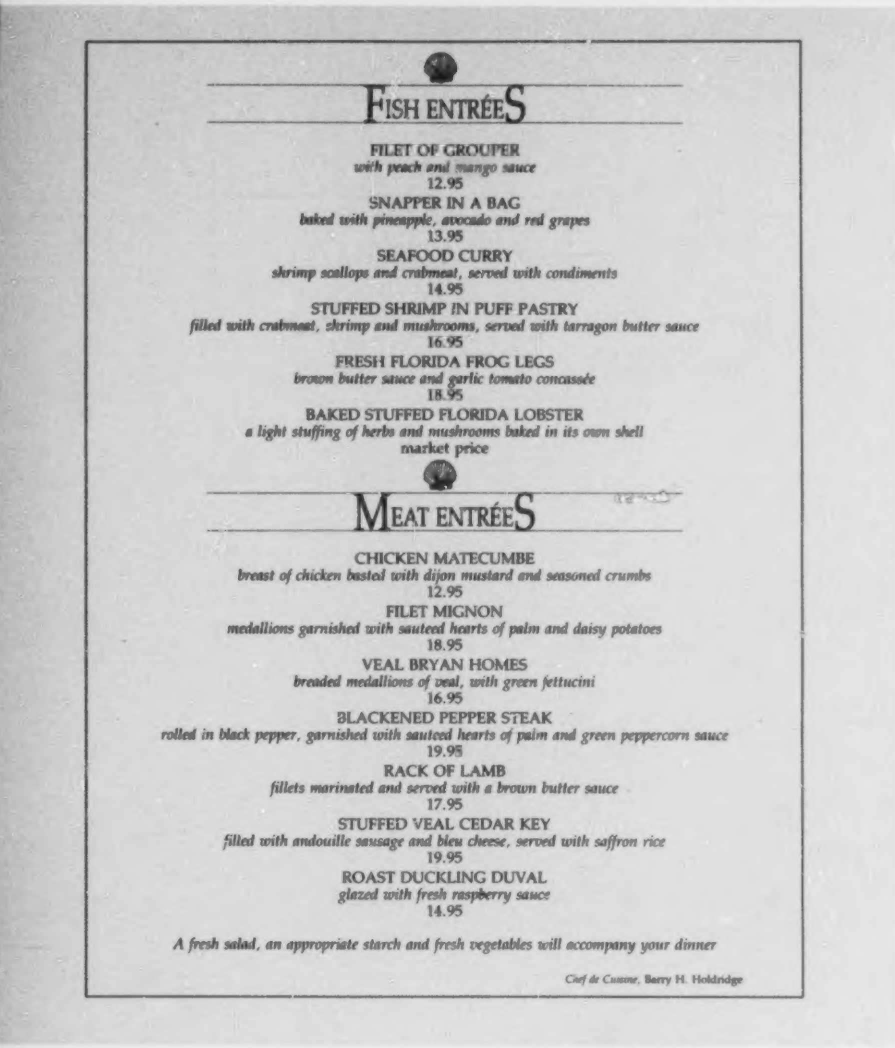
Claire Regan, R.D., is research manager, nutritionist for the National Restaurant Association.

ANDISING

Brief Descriptions Sizzle The Sell!

> **"My first menu had no descriptions, and it didn't sizzle the sell. . . . If I had three different types of operations, I'd use descriptive menus in all of them."**



FISH ENTRÉES

FILET OF GROUPER
with peach and mango sauce
12.95
SNAPPER IN A BAG
baked with pineapple, avocado and red grapes
13.95
SEAFOOD CURRY
shrimp scallops and crabmeat, served with condiments
14.95
STUFFED SHRIMP IN PUFF PASTRY
filled with crabmeat, shrimp and mushrooms, served with tarragon butter sauce
16.95
FRESH FLORIDA FROG LEGS
brown butter sauce and garlic tomato concassée
18.95
BAKED STUFFED FLORIDA LOBSTER
a light stuffing of herbs and mushrooms baked in its own shell
market price

MEAT ENTRÉES

CHICKEN MATECUMBE
breast of chicken basted with dijon mustard and seasoned crumbs
12.95
FILET MIGNON
medallions garnished with sauteed hearts of palm and daisy potatoes
18.95
VEAL BRYAN HOMES
breaded medallions of veal, with green fettucini
16.95
BLACKENED PEPPER STEAK
rolled in black pepper, garnished with sauteed hearts of palm and green peppercorn sauce
19.95
RACK OF LAMB
fillets marinated and served with a brown butter sauce
17.95
STUFFED VEAL CEDAR KEY
filled with andouille sausage and bleu cheese, served with saffron rice
19.95
ROAST DUCKLING DUVAL
glazed with fresh raspberry sauce
14.95

A fresh salad, an appropriate starch and fresh vegetables will accompany your dinner

Chef de Cuisine, Barry H. Holdridge

a simple, less descriptive menu increases customer satisfaction.

of his offerings, but now his approach is much simpler. "I found that those unfamiliar with our regional dishes would conjure up an image based on the description that didn't always match what they were served. Then they would be disappointed," Gillette recalls. "So I developed a new, less descriptive menu, and the simplicity has seemed to increase satisfaction." His "Snapper in a Bag" is now described as "Snapper in a Bag, baked with pineapple, avocado and red grapes."

Saying too much can also be a problem when describing dishes that include seasonal foods. Robin Salzer, owner of Robin's, a 149-seat family restaurant in Pasadena, CA, is proud of his menu which includes a variety of seasonal foods. But not all ingredients are always available. So to avoid disappointing customers, Salzer has developed descriptive copy that is not definitive. For his "Fruit Fantasy," for example, he says, "First we cone out the pineapple boat, then fill it with chilled fresh fruit. We usually have melons, pineapples, grapes, oranges and strawberries with rainbow sherbet or cottage cheese."

Other operators report success with similar approaches. Salads can be described as "iceberg with other greens," instead of specifically naming spinach or romaine. And if size is important to mention but measurements are not always precise, descriptions such as "about half a pound" may be the answer.

What to say

John Gruner, president of Gruner Solutions, a foodservice consulting firm in Richmond, VA, and instructor of NRA's Menu Development Seminar, believes "operators need to speak more intelligently to their consumers. Words like 'plump and juicy' are not essential. There is no room for being cutesy." What every description needs, he adds, are some basic facts so that the customer can make a purchasing decision. These essentials include

- the real name of the item, for instance, T-bone or club steak,
- the cooking method,
- the main ingredients,
- a description of the sauce—no "secret" or "our own" adjectives are acceptable,
- the quality or government grade if applicable,
- any unusual method of service, such as "wrapped in parchment" and
- any information that contributes to the differentiation of the dish.

In addition to the merchandising advantage of such descriptions, Gruner believes that the information also can provide clues or insights about the nutritional value of the item.

Descriptions of the type of fat help health-conscious consumers as do facts about preparation and cooking methods. "With menu descriptions, my patrons on diets don't have to ask so many questions. They know right away if an item contains milk, butter or garlic," says Steve Thom. "Menu descriptions are also beneficial for those with food allergies, and they may prompt a request to omit an ingredient, such as salt or oil. That's fine with me. My customers are my lifeblood, and I'll do almost anything to increase their dining pleasure."

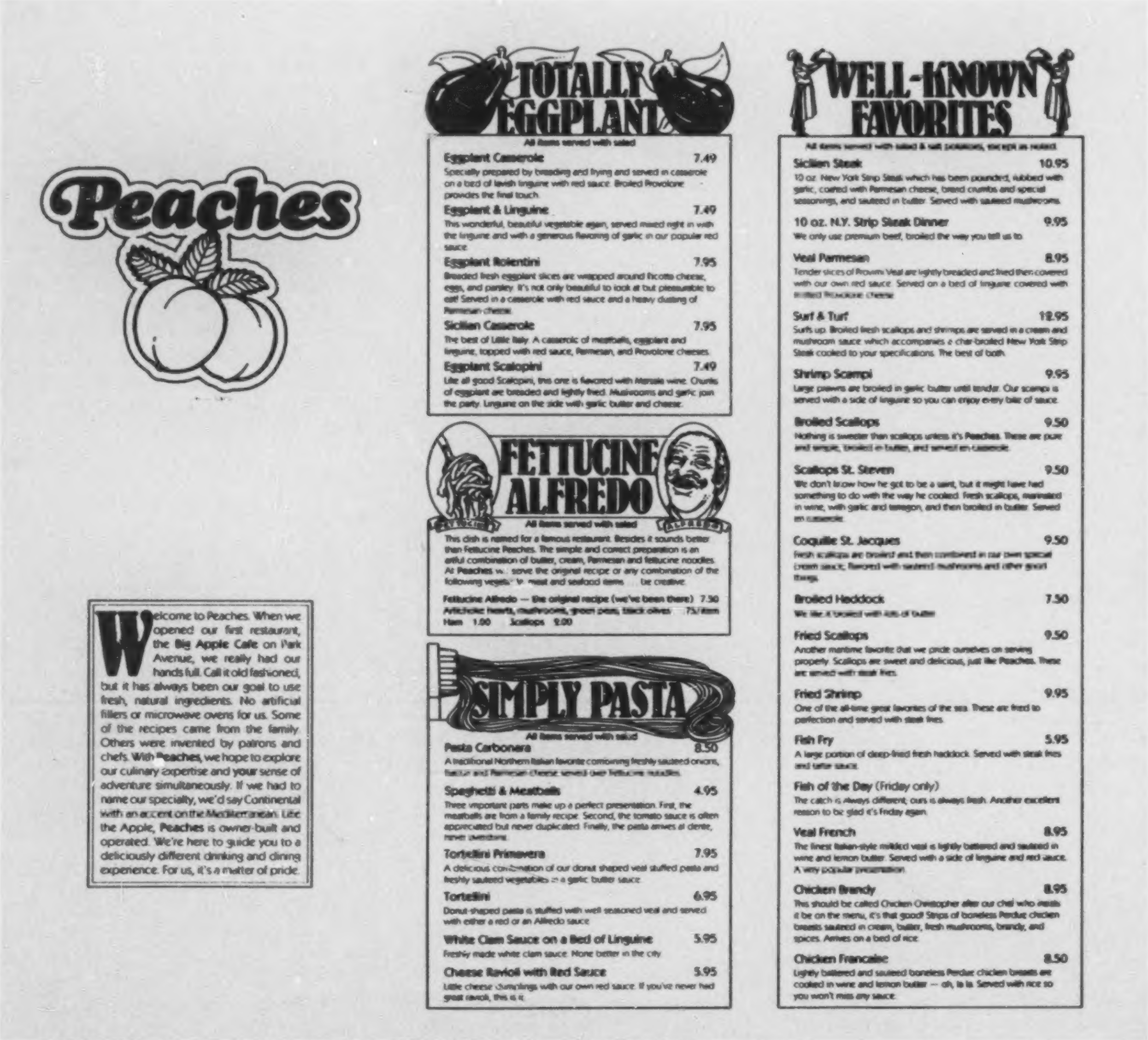
Who should write copy

Many operators believe they are the best authors for their menus because they are intimately familiar with their operations. Yet most menu advisors disapprove because they maintain writers usually have more success seeing the menu and operation through the customers' eyes. Not only can they make a menu appear less cluttered by avoiding unnecessary repetitions but they also can help customers understand what they are reading.

George Sorenson, a free-lance writer in Minneapolis, MN, for example, points out the value of "menu notes." "Many times clarifications are scattered and difficult to find. They may be repeatedly buried in the copy and applicable to at least half the dishes," he says. "It helps to highlight general statements such as: 'All tamales are pork filled' or 'Our traditional flour tortillas are fried in lard, but corn tortillas are strictly vegetarian.' "

Operators believe descriptions sell food

No matter who has written the copy, most operators who describe their menu items would never go back to a menu without descriptions. The reasons why are similar to these impressions by Robin Salzer. "I'd never again go with a straight list of foods," he declares. "My first menu had no descriptions, and it didn't sizzle the sell. This menu (with descriptions) is more personal and sells better. If I had three different types of operations, I'd use descriptive menus in all of them." ❑



Peaches

Welcome to Peaches. When we opened our first restaurant, the **Big Apple Cafe** on Park Avenue, we really had our hands full. Call it old fashioned, but it has always been our goal to use fresh, natural ingredients. No artificial fillers or microwave ovens for us. Some of the recipes came from the family. Others were invented by patrons and chefs. With **Peaches**, we hope to explore our culinary expertise and **your** sense of adventure simultaneously. If we had to name our specialty, we'd say Continental with an accent on the Mediterranean. Like the Apple, **Peaches** is owner-built and operated. We're here to guide you to a deliciously different drinking and dining experience. For us, it's a matter of pride.

TOTALLY EGGPLANT

All items served with salad

Eggplant Casserole 7.49
Specially prepared by breading and frying and served in casserole on a bed of lavish linguine with red sauce. Broiled Provolone provides the final touch.

Eggplant & Linguine 7.49
This wonderful, beautiful vegetable again, served mixed right in with the linguine and with a generous flavoring of garlic in our popular red sauce.

Eggplant Rolentini 7.95
Breaded fresh eggplant slices are wrapped around Ricotta cheese, eggs, and parsley. It's not only beautiful to look at but pleasurable to eat! Served in a casserole with red sauce and a heavy dusting of Parmesan cheese.

Sicilian Casserole 7.95
The best of Little Italy. A casserole of meatballs, eggplant and linguine, topped with red sauce, Parmesan, and Provolone cheeses.

Eggplant Scalopini 7.49
Like all good Scalopini, this one is flavored with Marsala wine. Chunks of eggplant are breaded and lightly fried. Mushrooms and garlic join the party. Linguine on the side with garlic butter and cheese.

FETTUCINE ALFREDO

All items served with salad

This dish is named for a famous restaurant. Besides it sounds better than Fettucine Peaches. The simple and correct preparation is an artful combination of butter, cream, Parmesan and fettucine noodles. At **Peaches** w[illegible] serve the original recipe or any combination of the following veget[illegible] meat and seafood items [illegible] be creative.

Fettucine Alfredo — the original recipe (we've been there) 7.50
Artichoke hearts, mushrooms, green peas, black olives .75/item
Ham 1.00 **Scallops** 2.00

SIMPLY PASTA

All items served with salad

Pasta Carbonera 8.50
A traditional Northern Italian favorite combining freshly sauteed onions, bacon and Parmesan cheese served over fettucine noodles.

Spaghetti & Meatballs 4.95
Three important parts make up a perfect presentation. First, the meatballs are from a family recipe. Second, the tomato sauce is often appreciated but never duplicated. Finally, the pasta arrives al dente, never overdone.

Tortellini Primavera 7.95
A delicious combination of our donut shaped veal stuffed pasta and freshly sauteed vegetables in a garlic butter sauce.

Tortellini 6.95
Donut-shaped pasta is stuffed with well seasoned veal and served with either a red or an Alfredo sauce.

White Clam Sauce on a Bed of Linguine 5.95
Freshly made white clam sauce. None better in the city.

Cheese Ravioli with Red Sauce 5.95
Little cheese dumplings with our own red sauce. If you've never had great ravioli, this is it.

WELL-KNOWN FAVORITES

All items served with salad & salt potatoes, except as noted.

Sicilian Steak 10.95
10 oz. New York Strip Steak which has been pounded, rubbed with garlic, coated with Parmesan cheese, bread crumbs and special seasonings, and sauteed in butter. Served with sauteed mushrooms.

10 oz. N.Y. Strip Steak Dinner 9.95
We only use premium beef, broiled the way you tell us to.

Veal Parmesan 8.95
Tender slices of Provimi Veal are lightly breaded and fried then covered with our own red sauce. Served on a bed of linguine covered with broiled Provolone cheese.

Surf & Turf 12.95
Surfs up. Broiled fresh scallops and shrimps are served in a cream and mushroom sauce which accompanies a char-broiled New York Strip Steak cooked to your specifications. The best of both.

Shrimp Scampi 9.95
Large prawns are broiled in garlic butter until tender. Our scampi is served with a side of linguine so you can enjoy every bite of sauce.

Broiled Scallops 9.50
Nothing is sweeter than scallops unless it's **Peaches**. These are pure and simple, broiled in butter, and served en casserole.

Scallops St. Steven 9.50
We don't know how he got to be a saint, but it might have had something to do with the way he cooked. Fresh scallops, marinated in wine, with garlic and tarragon, and then broiled in butter. Served en casserole.

Coquille St. Jacques 9.50
Fresh scallops are broiled and then combined in our own special cream sauce; flavored with sauteed mushrooms and other good things.

Broiled Haddock 7.50
We like it broiled with lots of butter.

Fried Scallops 9.50
Another maritime favorite that we pride ourselves on serving properly. Scallops are sweet and delicious, just like Peaches. These are served with steak fries.

Fried Shrimp 9.95
One of the all-time great favorites of the sea. These are fried to perfection and served with steak fries.

Fish Fry 5.95
A large portion of deep-fried fresh haddock. Served with steak fries and tartar sauce.

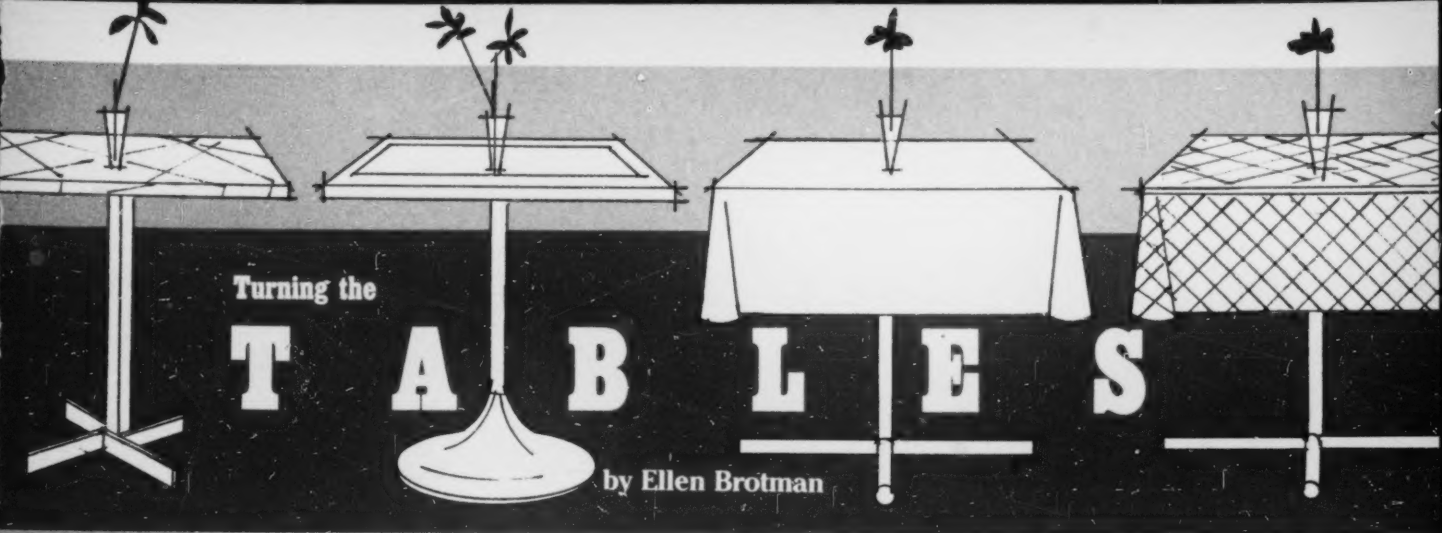
Fish of the Day (Friday only)
The catch is always different; ours is always fresh. Another excellent reason to be glad it's Friday again.

Veal French 8.95
The finest Italian-style milkfed veal is lightly battered and sauteed in wine and lemon butter. Served with a side of linguine and red sauce. A very popular presentation.

Chicken Brandy 8.95
This should be called Chicken Christopher after our chef who insists it be on the menu, it's that good! Strips of boneless Perdue chicken breasts sauteed in cream, butter, fresh mushrooms, brandy, and spices. Arrives on a bed of rice.

Chicken Francaise 8.50
Lightly battered and sauteed boneless Perdue chicken breasts are cooked in wine and lemon butter — oh, la la. Served with rice so you won't miss any sauce.

Descriptive copy turns menus into suggestive selling tools at Peaches in Rochester, NY.



Turning the

TABLES

by Ellen Brotman

Your tables do not have to disappear into the woodwork. They can add vitality, color, style and visual interest to your restaurant, enhancing your design or making a design statement of their own. When you evaluate a table, you should consider both its top and its base. Since table bases are usually hidden inside a cluster of chairs, however, the "look" of a table is predominantly established by the design and treatment of the top.

Designing with tablecloths

A common design practice is to cover the tabletop with linen. There is no question that the starched white linen tablecloth has traditionally been—and will continue to be—a symbol of a tasteful, classically formal setting.

With the trend toward more upscaled palettes, the use of brightly colored table linens has become a viable option for most establishments. In fact, one can even mix several hues within a given space. For example, draping round tables in mauve, squares in gold tones and deuces in peach allows the tables themselves to function as an integral part of the color scheme and can create a very exciting visual effect.

Another method of designing with tablecloths is to select patterned fabrics and place them under a clear glass top. Because there are literally hundreds of fabrics and patterns to choose from, this is an excellent approach to take when a one-of-a-kind, signature look is called for. And, depending on the specific pattern selected, from elegant florals to classic plaids, this treatment is workable in any type of setting.

Interest in hard surface tabletops grows

If tablecloths do not fit into your budget or do not coordinate with your theme or image, consider the myriad available hard surface tabletop materials. One of the most currently popular and widely used is plastic laminate. (Note: Formica is a brand name for this material.) While this material was once relegated to countertops or fast food properties, the trend now is to use plastic laminate tabletops in upscale cafes, clubs and cocktail lounges. The ease of maintenance, lower price tag and flexibility of design are some of the key reasons for the resurgent interest in this material. And, in terms of design, the aesthetic properties of plastic laminate are limited only by one's imagination.

Aside from the hundreds of colors, textures and patterns available in plastic laminate, the various edge treatments can add an extra design dimension. Use a self-edge laminate in the same or contrasting color to achieve a more contemporary or casual style. Add a stained or dyed wood border to coordinate with more traditional designs or with eclectic, less theme-oriented concepts.

Marble, wood and ceramic tile inlays continue to be popular choices for tabletops, and there are specific settings where these natural products offer the perfect design solution. The newcomer to this group of hard-surface materials is Corian. Because of its resemblance to marble, Corian has been used on vanity tops and bathroom fixtures for some time, but it has only recently been discovered to be a marvelous tabletop treatment. Corian is durable, highly stain resistant and easily maintained. And, because of its solid structure, it lends itself exceptionally well to custom edge treatments in a variety of shapes and styles. At this point, Corian is limited to white and off-white hues, but it can be obtained or inlaid with other materials, including wood and metal, to create additional texture and color. And, just as with plastic laminate, the look of a Corian tabletop blends well with any type of design and concept—from casual to elegant.

Table bases as part of the design

Just as with tabletops, table bases come in a multitude of shapes, sizes and finishes. Before deciding on the specific selection, determine if the base will be noticed. If the lighting level is low and the tables are draped, the chances of being able to identify the design of the table bases are slim. If the base will not be visible, a basic four-pronged cast-iron base is a prudent choice.

However, in restaurants that have open and airy spaces or multileveled floor plans, the style, shape and color of the table base can function as an integral part of the design. And, indeed, increased demand has stimulated the market to offer a wide variety of styles and finish selections. In the past, typical base treatments were either chrome, brass or black enamel. Today, pigments for bases range from fire-engine red to mint green, and plated finishes include copper, bronze and pewter.

Base bottoms, however, remain essentially unchanged. They fall into two generic groups: the popular four-pronged "spider" or the mushroom or cylinder type. The specific selection is based on design and budget and the kind of floor-covering material used. Within each major group, the patterns and designs span high-tech contemporary to classical treatments. ❑

Ellen Brotman is president of Ellen I. Brotman Interior Designs, Inc. in Fairfax, VA, specializing in restaurant interior design and individual consultation.

How to Find INFORMATION

What are the national averages for food and labor costs? How will a nuclear accident in the USSR affect Norwegian salmon? How can you add a bakery to your operation? What can you do with 40 pounds of blueberries? How do you find out who lives around your restaurant? How should you go about bottling and selling your house dressing? Where do you buy a smoker and the mesquite it uses? Do more people eat out at lunch or dinner?

You need information like this every day to stay in touch with your customers and food trends, update and expand your operation, create new menu items, buy new equipment and maintain your business. But do you know how to find the information you need?

by Ann Walker Smalley

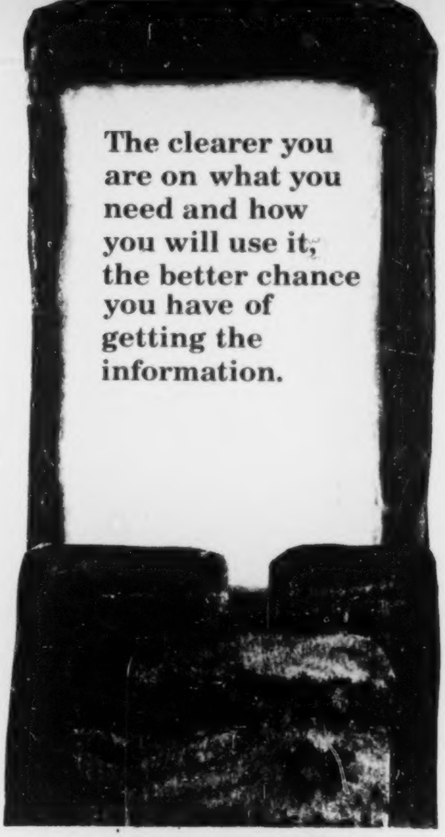
How to ask for what you need

Just as with any other project, when you begin your search for information, you need a plan. You need to define what you want, determine where it might exist, find it and evaluate the results. Here are 10 steps toward finding the right information.

1. Define the information you need. Do you need statistics, technical advice, opinions, demographic data, historic profiles, recipes, techniques or a combination of these? What format should the information be in to be the most useful—charts and graphs, narrative description, step-by-step procedures, news articles, a bibliography? The clearer you are on what you need and how you will use it, the better chance you have of being able to convey the idea to someone else who may be able to supply it. This is especially important if you are using an intermediary—whether a librarian or another expert—who may need to explain what you need to someone else.

2. Don't ask for "everything" about a topic unless you know the topic is so narrow that "everything" means four or five lines of text or a chart. Break down the request into specific, manageable segments. If you do need to know everything about bakeries because you plan to add one to your current operation, start by requesting the basics and move on to recipes or promotions. Otherwise, "everything" may result in everything but what you need.

3. Choose the right source for the information. The sources of information are as varied as the need itself. One way to determine a source is to consider who might collect the information and why. Is there a group that benefits from such information or promotes the use of it? Have you ever supplied this type of information to any one either through official channels, such as the Bureau of Census or a licensing application, or through a survey from your chamber of commerce or a trade group? Maybe they have published the information or can make data available to you.



The clearer you are on what you need and how you will use it, the better chance you have of getting the information.

Max Karl Winkler

Often a library or information center is a good first step. Libraries collect—and organize—material from commercial publishers, nonprofit groups, news sources, government agencies and other sources.

4. Ask the right questions. This is obvious advice, but it is often ignored. Be straightforward with the source—explain what you want and how you plan to use the data. Do not be surprised if the source asks you questions. That person is not being nosy. An information specialist is trained in the skill of finding information and must understand what you need specifically to determine how best to help you. You do not need to give an elaborate explanation, just enough information to put the request in context. Your answer can also help the searcher narrow the possible resources and can suggest ideas you may not have considered.

If you are planning to bottle your house dressing, for example, you should explain what type of dressing it is and how you plan to market the product instead of just asking for the names of bottle manufacturers. This not only helps narrow the choice of manufacturer, but also helps the researcher locate a pertinent study or article on developing signature products.

5. Mention organizations you have already contacted for the information to eliminate places you already know do not have the information you need. This will prevent fruitless duplication of effort, and it will reduce the time it takes to get an answer to you.

6. Do not ask another person to call—not even your secretary—unless he or she is able to explain and answer questions in detail and can make a decision about the suitability of the information. Otherwise, the process will be delayed as additional information is relayed back and forth.

7. There can be more than one answer to a question. There are multiple sources for most types of information, and unless there is a simple right or wrong answer—such as a phone number—you have to decide which source best meets your needs.

Always ask for the source and the date of the information someone is giving you and write them down. You may need to go back to that source, or you may wish to check its reliability elsewhere. You do not want to learn the hard way that you based your marketing plan on a survey that was done 20 years ago by an organization that has since disbanded because of lack of credibility.

8. Understand that some answers are hard to pin down. Since information does not generate itself, you cannot assume that the information you need is available. Someone had to decide that the information was useful—or profitable—to gather. Even questions which seem simple may not have an exact answer. You may need to deduce your answer by piecing together bits of information.

9. Be prepared to pay for some information, especially from organizations whose business is either information collection or publication rather than the promotion of an industry. Organizations that spend their time and energy compiling information in mailing lists, directories or guides do it for profit.

10. Know when to stop looking and how to use what information is available. In spite of your and others' best efforts, you may not be able to find everything you need or in the form you need it. When you reach

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this point, it is time to evaluate the information you have to see if you can use it to answer your questions. Think in terms of why you need the information. Is it vital that you have the one fact exactly as stated, or can you use other data to arrive at a similar result? For example, if you are trying to determine the popularity of pizza, you probably do not need to know per capita pizza consumption. You may be able to use other information, such as the number of pizza restaurants and the percentage of meal occasions when pizza is ordered, to come up with an assessment of pizza popularity.

A look at some basic sources

Much of the business information you need has been published somewhere. Government agencies, trade and professional associations, marketing councils, research organizations and commercial publishers all collect and publish information which you can use for planning and decision making.

Even questions which seem simple may not have an exact answer. You may need to deduce your answer by piecing together bits of information.

Government information

The federal government is the major collector and publisher of statistics about the U.S. population and economy. The various departments and agencies, which produce these statistics annually, publish tens of thousands of reports on everything from consumption of cabbages to consumer spending habits. If you have never used any of these publications, the maze of numbers can be overwhelming. Here are brief profiles of the major agencies that collect statistics you may need.

☐ **The Bureau of the Census.** The Bureau of the Census collects population statistics, which include the number of inhabitants for the nation, regions, states, cities, counties and other areas. It also provides a wide variety of information on social and economic characteristics, such as household composition, ethnicity and income. It prepares analyses of social, economic and demographic issues and conducts economic surveys, such as the Censuses of Retail Trade, Wholesale Trade and Service Industries, to name a few. It publishes product overviews and a catalog and guide to census data, which are available for sale. It also publishes a handy summary of all types of statistics called *The Statistical Abstract of the United States,* which can be used as a guide to find additional statistics. Depending on the statistical series, data are available at varying breakdowns by counties or cities. In some cases, even smaller areas, such as business districts or blocks, are reflected.

The Bureau of the Census also sponsors State Data Centers (SDC), which include more than 1,300 local agencies and academic centers. These SDCs receive all of the bureau's products for their states and make the data available to the public. Many also provide special services, such as customized statistical profiles or profiles of specialized population groups, and collect statistics from state agencies.

☐ **Bureau of Labor Statistics (BLS).** BLS collects and disseminates statistics relating to employment and unemployment characteristics of the labor force, producer and consumer prices, wages, consumer expenditures, occupational safety and health and other labor force data. Most of the data are supplied voluntarily by business establishments and households.

☐ **Economic Research Service.** This agency, a part of the U.S. Department of Agriculture (USDA), releases information about the agriculture situation and projected outlook. Another section of USDA, the Statistical Reporting Service, prepares estimates and reports on production, supply and prices for the agricultural economy.

State and local planning and development agencies also collect information and statistics on the economy of specific areas. Information on traffic patterns and transportation is available from local or state transportation authorities.

☐ **Department of the Treasury.** Another source of government information is the data individuals and businesses are required to file as part of doing business, such as income tax returns. The information collected concerning sources of income, deductions, type of business and other categories is compiled and published in various reports by this agency.

☐ **Securities and Exchange Commission (SEC).** SEC requires corporations to file information about their finances. This information is available as 10(K) reports from the SEC. These reports can be used to learn about competitors since they include much financial information about a company, including the salaries of the top officials and names of major stockholders.

☐ **Published information.** In addition to statistics, governments publish handbooks, sourcebooks, compilations of laws and regulations, consumer information and films, and they operate information clearinghouses to provide their citizens with needed information. The U.S. Department of Commerce, for example, publishes the annual *Handbook of Franchising Opportunities,* a directory of businesses offering franchises with brief descriptions of the requirements for each. There are other agencies created to help businesses, including the Small Business Administration and Minority Business Development Agency. Many of these agencies publish guides for doing business or provide consulting services.

Where to get government information

The federal government's publisher is the Government Printing Office (GPO). The GPO operates regional bookstores and a telephone order service. It publishes catalogs of selected publications and subscriptions. It also oversees a network of federal depository libraries which receive government publications, provided they allow the public to use them.

The federal government operates clearinghouses on various disciplines. These organizations provide telephone information services for questions in their fields, and they distribute documents published by their agency or others. For example, the Food and Nutrition Information Center, operated by the U.S. Department of Agriculture, can provide information on a variety of nutrition research and foodservice management topics. It handles both print and audiovisual material.

NRA's Information Service can help

The National Restaurant Association's Information Service and Library (ISAL) receives dozens of questions every day just like the examples in the accompanying article. The information specialists handle between 75 and 100 calls a day, more than 20,000 annually—up from only 6,000 in 1980.

The ISAL is a specialized collection of current and historical information about the foodservice industry. The collection is growing constantly. It has 3,000 books and more than 140,000 articles on file. The ISAL receives more than 100 trade periodicals, which are scanned for appropriate information to add to the files. Other collections include the Great Menu Contest entries and winners and NRA archives of membership directories and publications.

The ISAL is moving into the electronic age of information retrieval. Since 1985, the library staff has been inputting abstracts of articles into an online database. While not yet available for general use, library staff can use this database to retrieve recent articles using key word searches. The ISAL is exploring the possibility of subscribing to commercially available online services and offering searches from these sources to members.

The major service the ISAL offers to NRA members is its reference service which includes information specialists who will try to find an answer or a source of information to almost any question. If the answer is not available in the NRA collection, ISAL staff will call other libraries, trade associations, manufacturers, government sources or other appropriate sources. For questions without answers, and there are some, ISAL staff tries to provide alternate sources of information.

NRA members receive top priority. Most questions are answered within one day, but sometimes it can take several weeks to compile all the information for a request. Follow-up materials are mailed out within one day of finding them.

Who calls ISAL? Calls come from the biggest chains and from small, independent operators as well as advertising agencies, equipment distributors, state associations, foodservice suppliers, government agencies and manufacturers.

ISAL also produces a biweekly service, "Information Services Abstracts." Library and research staff selects key articles from 10 to 12 trade publications and abstracts the important points in each. The abstracts can save you time and keep you up-to-date on what is in the trade press. For a free sample copy and subscription information, call ISAL.

The ISAL staff also take telephone/credit card orders for NRA publications and can answer questions about each publication.

"You never know what the next question will be," says Mary Edwards, one of two ISAL information specialists. "Being an information specialist is similar to being a detective. We're tracking down elusive information and piecing it together to get the final answer." "But," according to the other specialist, Lisa Cordes, "it's satisfying to be able to get that final fact that someone needs to answer the question."

If you want to know more about the NRA Information Service and Library, contact ISAL. ISAL staff will send you a packet with a copy of *Information Service Abstracts*, a sample list of subject headings for its files, a brief list of sources of statistics and how to order them and other facts and figures.

The government has established electronic databanks, too, such as the National Technical Information Service (NTIS). NTIS is the central source for sale of government research reports on all aspects of business, economic, scientific and social research. Information from NTIS is available in several forms, including lists of published searches, database searches and other products.

Trade associations

There are hundreds of associations formed to encourage the development of various professions or industries, and many of these associations collect statistics, perform research, conduct surveys, create promotional materials and provide continuing education and other services to their members. The *Encyclopedia of Associations*, a three-volume reference available in most libraries, lists more than 20,000 groups in the United States—from the American Dairy Association to the United Fresh Fruit and Vegetable Association. Many of these organizations can help you learn more about a particular industry and how it can help you. Some provide promotional materials as well. For example, the United Fresh Fruit and Vegetable Association produces a newsletter aimed at foodservice operators. Each issue highlights the fresh produce that will be available in the coming months.

Many professional associations also provide referrals for their members' services. Local chapters of the American Institute of Architects, for example, can refer architects on their rosters to callers.

Marketing councils, formed to promote awareness and use of specific products, provide promotional materials, recipes and statistics on use and consumption of their product as well as information on its handling and storage or special characteristics. The North American Blueberry Council will supply table tents, buttons, recipes and nutrition and handling information. Other groups, such as the Winegrowers of California, produce video training tapes and other information to help you promote their products in your operation.

Trade press / exhibit guides

The industry trade press collects and publishes much information. Special issues are regularly produced that rank businesses, give menu censuses and offer buying guides or directories.

The NRA Show Guide also has a wealth of information about products and services which you may not need today but might need sometime. Trade shows of all types can be useful if you are looking for information. Electronics and computer shows, travel and tourism expositions, business development shows and others can all give you a chance to see firsthand what is being offered and a chance to talk to knowledgeable people.

Another source of information is educational seminars. In addition to the classroom instruction, you usually receive a textbook of some sort which compiles key information on the topic. Save this information for reference.

Local libraries

Don't overlook your local libraries, particularly if you need a broad range of information on local topics. Most libraries have a standard collection of reference resources, such as almanacs, directories, statistical sources, government information, indices and encyclopedae. While they may not have a wide range of foodservice information, libraries can help. They have professionally trained staff to help you retrieve what you need. Many libraries are now part of networks which offer computer linkage to other libraries' resources.

The information from most of these sources is available at little or no cost, usually less than $75 for publications and at cost for promotional materials.

Information organizations

If the thought of doing your own research or compiling statistics does not appeal to you or you do not have the time, there are organizations that will do it for you. Be sure that they understand the restaurant business before you hire them.

Information brokers will research a topic using electronic databanks and published sources. They will comb the literature of an industry to find reports, statistics, experts and other information to answer a request. Quite often these brokers are librarians who are skilled at retrieving hard-to-find information.

There are commercial services that track specific indicators, such as eating-out patterns, which are available as subscriptions. And there are organizations which take demographic data about an area and, using a computerized package, analyze it and produce reports for specific areas. These reports are used for site selection, market analysis and expansion studies.

Market research firms can collect, analyze and summarize data specifically for you—whether it is a market study to determine feasibility of a restaurant concept or product or an in-depth analysis of a specific market. There are also survey research groups or focus group organizations which can conduct research for you—from designing and administering questionnaires to writing a final report of the results. These reports vary in length and price from a few pages and a few hundred dollars to volumes of data and tens of thousands of dollars. ❑

ISAL has the answers

Whenever you have a question about foodservice, NRA's Information Service and Library can provide an answer or a source of information. Here are some sample questions to show the range of information the library staff has at its fingertips.

Q. What are the food and labor cost averages for food-only restaurants?

A. *The Restaurant Industry Operations Report,* produced annually by NRA, provides financial breakdowns for both food and food and beverage restaurants.

Q. Are there organizations that do business credit checks? I send fish to restaurants C.O.D. via special shipping, and I want to be sure a potential customer has good credit.

A. Yes, there are such companies. We found one in this area by contacting the association that represents them, The National Association of Credit Management.

Q. What is a monkey dish?

A. According to "Gourmet Table Service—A Professional Guide," a monkey dish is a small dessert or vegetable dish often included in a place setting.

Q. Are there any publications that can help me determine if a restaurant will be a success?

A. The NRA publication, *Conducting a Feasibility Study for a New Restaurant* is a how-to handbook prepared by the NRA research department. It will help you determine if a specific concept has potential to succeed in a certain location.

Q. Have any restaurants had promotions benefiting charities?

A. By reviewing the files of articles on promotions in the library, we sent reports of such promotions in other restaurants. They ranged from support of walk-a-thons to ugly bartender contests.

Q. I want to do a Victorian Christmas Dinner at my club. Can you help?

A. Library staff reviewed holiday files and cookbooks representing historic cooking and supplied several menus and recipes.

Q. I saw a product at the NRA Show, but I don't know what it is called or who makes it. Can you help me?

A. Such questions rely on the memory of NRA staff who went to the Show, on knowledge of who makes what and on the listings in the NRA Show Guide. But with not much more information than what the product does, it is often luck, not skill, that finds the exact item!

Q. Is there a book that will give market research techniques?

A. *Market Research for the Restaurateur,* an NRA research department publication, is a practical handbook on techniques. It will help you gather the information you need to make an informed decision.

Q. Who makes the paper for tea bags?

A. There are four manufacturers, according to the Tea Association of America.

Q. What happened to customer traffic in the winter of 1986? Did quick service traffic increase?

A. Yes. According to CREST, traffic in December–January–February was up 2.7 percent from one year earlier. Quick service traffic was up 7.4 percent.

Fall Board meeting report

NRA Board votes to form new foundation

In a unanimous decision at its fall meeting in September, the National Restaurant Association (NRA) Board voted to consolidate NRA's educational activities with those of the National Institute for the Foodservice Industry (NIFI) to form a combined successor organization. Entitled The Educational Foundation of the National Restaurant Association, the new organization will become effective January 1, 1987.

This move transfers responsibility for the day-to-day functioning of NRA's educational programs department to the new educational foundation, although the department will continue to be housed at NRA headquarters in Washington, DC, and funded by NRA.

The Board felt that, in addition to better achieving the educational goals set forth in NRA's five-year strategic plan, the consolidation would result in a full-service, broad-based educational program for the entire industry.

The new institute, which is classified as a 501(c)(3) organization with nonprofit status and no lobbying privileges, will be administered by the executive director of NIFI, who will report to NRA's executive vice president. The new foundation will be governed by a 30-member board of trustees, a separate, autonomous body, which will exercise all normal oversight and fiduciary responsibilities. The board of trustees will consist of the three elected officers of the National Restaurant Association, 13 members appointed by NRA's three elected executive officers, 11 members of supplier firms and three members of academia.

NRA Board members, from left to right, Guss Dussin, William Naegele, Paul Lazar, Harry Klingeman and Jerry Burtenshaw at the fall Board meeting.

Here is a look at some other actions arising from the fall meeting of the NRA Board of Directors:

☐ The Convention Committee will host a special "Salute to Excellence" Dinner to honor celebrity restaurateurs and outstanding student culinarians on Tuesday night during the annual NRA Show. NRA Past President Ted J. Balestreri (Sardine Factory, Inc., Monterey, CA) will chair a committee overseeing the dinner. Other committee members are NRA Past Presidents Walter Conti (Conti Cross Keys Inn, Doylestown, PA) and Thad Eure, Jr. (The Angus Barn, Ltd., Raleigh, NC).

☐ General admission rates to the NRA Show will be raised to $10 for pre-registration and $20 after the pre-registration date.

☐ The Restaurants of Oregon Association and the National Restaurant Association have entered a joint membership agreement.

☐ The Political Education Committee agreed to raise $500,000 for fiscal year 1986–87 in order to magnify the industry's presence in Washington, DC.

☐ The Communications Committee suggested establishing a special task force to coordinate an active industry response to the threat of mandatory ingredient labeling.

☐ A motion was passed that all events conducted under the auspices of the National Restaurant Association must be held at member establishments and that nonmember facilities will be used only when member establishments are not available.

☐ The Executive Committee agreed to invite a member of the board of the Club Managers Association to join the NRA Board on a one-year trial basis.

Restaurateurs meet with congressional candidates

NRA's political action and political education committees hosted the first of several regional fund-raising events on September 9, 1986. It was jointly sponsored by NRA and the California Restaurant Association. The event, which was held at Jimmy's in Beverly Hills, CA, introduced area restaurateurs and foodservice professionals to four congressional candidates: Dale Bell, a South Dakota restaurateur (Bell's Steak House, Spearfish, SD) who is running for Congress, and Elton Gallegly, Rob Scribner and George Woolverton, who are all running for congressional seats in California. NRA Past President Ted J. Balestreri (Sardine Factory, Inc., Monterey, CA) was the honorary chairman.

Similar fund-raisers are planned for Boston, Chicago and New York. These local events are part of the political action and political education committees' ongoing efforts to increase the involvement of foodservice professionals in the political process.

—*Dorothy Dee*

Candidate Dale Bell talked with PAC Chairman W.W. "Biff" Naylor at NRA's first annual congressional review dinner.

FISHER'S LAW

Fisher's law #76

6 ways to identify a company in decline

Different business organizations project different images to customers, suppliers, consultants or other visitors. A former professorial colleague of mine took great pride in his self-proclaimed ability to "size up" (or "size down") any organization within the first two minutes he set foot on the premises. He was a social psychologist, not a financial analyst, and he based his conclusions on such things as the type, style and color of artwork that was exhibited in the environment, the rapidity and graciousness with which he was greeted, the way employees interacted with one another, the cleanliness of the public areas and the tidiness of office areas. He made some valid points and caused me to sharpen my own observational powers when I visited a company for one reason or another. Through the years, I have identified six major nonfinancial elements or clues that tell me a company is on the verge of, or has started, a decline even though "the numbers" may not yet reflect it.

1. There is a generalized preoccupation with business expansion to the exclusion of improving existing operations. Many companies on a fast growth track overreach their ability. It is one thing to "touch," but another thing to "hold." That is to say, such firms are so future-oriented that they lose sight and sensitivity to the market/customer base that needs to be satisfied now. Such companies don't keep business. They lose it out the back door as fast as they bring it in the front door. They are "growth junkies," seeking expediency rather than stability, living for a grand tomorrow with little thought of survival today.

2. Risk is avoided at any cost. Some companies, once they have secured a niche in the marketplace and have enjoyed some measure of success, simply stop doing what made them successful in the first place, i.e., taking calculated controlled risks; experimenting with new ideas, products, services and systems; and bringing qualified people into the organization. In contrast to expansion at any cost, there is an avoidance of risk at all costs. Because the world is not standing still, the secure market/customer niche can be eroded as quickly as it was formed. Such companies may be "sparkling comets" during their ascendancy period, but they can burn out quickly, never to be seen again.

3. The company attracts and retains people who are most concerned with occupational security. Such companies experience very little employment turnover at management levels and do not attract energetic, creative personnel. The organization becomes the parent substitute where one gets along fine if one does what one is told to do, and no one gets in trouble by doing nothing. There is an emphasis on conformity. New ideas are not sought or appreciated. Mediocrity becomes the acceptable standard. Imagination is ridiculed. A high production level is considered to be "rate-busting," and innovation is considered to be radical. Usually there is overstaffing. There is an excuse or delay mentality rather than a get-it-done outlook and there is little, if any, conflict because there is an absence of dynamic, constructive tension. The operating premise is that "if I go along, I'll get along" and "I won't make any waves."

4. There is an absence of self-development at senior management levels. Top management is too busy (or too comfortable) to undertake activities directed toward professional self-development. They, or their key people, do not go to conferences, seminars or other activities where there is an active exchange of ideas. They believe they have paid their dues and are entitled to sit back and reap the rewards. They may delude themselves that they are staying current by reading consumer and trade press articles and reports. They do not realize that all trends have countertrends, that the marketplace is becoming increasingly differentiated, and that there are a lot of cross-currents and shifting winds that can have an immediate effect on the company. In some cases, once you have read about a trend, it is already over. That means it was a fad.

5. The company operates in a dull, tired, gray environment. There is an absence of pep and humor in the people who work in the company. Employees lack bounce in their gait. They wear frowns or expressionless faces instead of smiles. Their heads are bowed instead of uplifted, and they seem haggard instead of stimulated. They tend to procrastinate; be undisciplined in enforcing working hours, lunch breaks and coffee breaks; engage in social (not business) chit chat; and spend a long time reading newspapers or doing crossword puzzles. Telephones are allowed to ring several times before they are answered; telephones are left unattended; and mail remains unanswered for days. There is a listless pace except at quitting time. Physical facilities are scruffy and dirty, the landscaping is unkept, and the environment is just too lackadaisical.

6. The company doesn't ask, and it doesn't listen. When visitors approach the company, they are viewed as necessary evils. Employees say, "This place would be great if it weren't for the customers" or "The suppliers are the enemy." Visitors are not looked upon as information resources, they are not asked for their opinions, and their opinions are not respected if they are volunteered. There may be "lip service" or "mail service" for obtaining feedback, but it is a mechanical exercise not an attempt for a constructively critical analysis. Senior management thinks it knows all the answers, so there is little, if any, use of outside consultants. Communication doesn't flow, it drains. Employees do not get straight answers to reasonable questions; they get double-talk or "politically straddled" answers.

When one of these corporate maladies is present, usually other maladies show up soon thereafter.

Fisher's 76th law: To be terse, if you are inclined toward decline you better reverse.

Tracking employee turnover

A restaurant's W-2s can be used to determine employee turnover.

At a time when labor shortages are affecting many parts of the country, hiring and retaining employees is becoming increasingly important to restaurateurs. Government statistics reveal that foodservice occupations have higher than average separation rates. (See ***Restaurants USA (NRA News),*** June/July 1986.) This means that employees leave foodservice occupations at a more frequent rate than they leave other occupations. Of course, this can be explained in part by the large number of teenage employees who leave their jobs to return to school and by the part-time, seasonal nature of many foodservice jobs. Separation rates tell only part of the story.

Separation rates do not provide a measure of employee turnover from the restaurateur's point of view. In fact, little information on industry turnover rates exists.

For that reason, the *1986 Restaurant Operations Survey* conducted by NRA and Laventhol & Horwath in early 1986 asked operators to specify how many W-2s the restaurant sent out last year. The number of W-2s provides a measure of the total number of individuals who worked at the establishment at some time during 1985. Turnover for 1985 is measured by dividing the total number of W-2s by the average number of employees.

Survey results reveal that the employee turnover rate* in 1985 was 2.1 for restaurants serving food and alcoholic beverages. It was 2.4 for restaurants serving food only. The accompanying table depicts turnover rates by type of restaurant.

These data suggest that

- turnover is generally higher when the ratio of part-time to full-time employees is relatively high and
- turnover is generally lower in full menu establishments compared to limited menu restaurants.

Further analysis is needed to fully establish a connec-

Full and part-time employment figures

Operations serving food and alcoholic beverages generally have a larger number of part-time employees

Median number of employees working

	Full time	Part-time (20–35 hours)	Part-time (less than 20 hours)
All operations serving food and alcoholic beverages	**12.0**	**15.0**	**8.0**
Type of restaurant			
Full menu—tableservice	20.0	18.0	10.0
Limited menu—tableservice	4.0	5.0	6.0
Menu theme			
Steak/seafood	20.0	20.0	10.0
American	20.0	18.0	10.0
Continental	12.0	14.5	5.0
Pizza	4.0	5.0	6.0
All operations serving food only	**16.0**	**10.0**	**8.0**
Type of restaurant			
Limited menu—no tableservice	3.0	9.0	6.0
Coffee shop	42.5	9.5	12.0

1985 employee turnover rates

Operations serving food only have a slightly higher turnover rate

	Number of employees*	Number of W-2s*	Turnover rate
All operations serving food and alcoholic beverages	**37.5**	**80**	**2.1**
Type of restaurant			
Full menu—tableservice	45.0	90	2.0
Limited menu—tableservice	18.0	54	3.0
Menu theme			
Steak/seafood	45.0	100	2.2
American	50.0	100	2.0
Continental	33.0	64	1.9
Pizza	15.0	50	3.3
All operations serving food only	**37.0**	**87**	**2.4**
Type of restaurant			
Limited menu—no tableservice	15.5	40	2.6
Coffee shop	42.5	96	2.3

Note: Categories reported separately have 20 or more respondents providing data. The total number of respondents providing data for food and beverage restaurants was 231. For food only operations, the total number was 92.

Source: *1986 Restaurant Operations Survey*

**The employee turnover rate is estimated from respondents providing data on both total employment and W-2s. It is derived by dividing the median number of employees into the median number of W-2s. The rate shown represents an average for the survey respondents.*

tion between the mix of part-time and full-time employees to turnover. Logic suggests, however, that relatively high turnover rates are explained, in part, by a large proportion of employees working few hours.

Turnover and the labor shortage

NRA's *Current Issues Report* "Foodservice and the Labor Shortage" suggests that the flexible nature of the labor force can be used to the advantage of the foodservice industry by increasing the number of hours worked per employee. As the teenage population began to decline in the early 1980s, the restaurant industry maintained its annual gain in total hours worked by increasing average weekly hours per employee.

The results of the *1986 Restaurant Industry Operations Study* suggest that fewer employees who work less than 20 hours per week could also help to lessen costly employee turnover.

Small Business

The IRS conducts workshops to help small business owners understand their tax rights and responsibilities. Contact the IRS for information.

BAKERY
JOE'S ELECTRONICS

A PUBLIC SERVICE MESSAGE FROM THE INTERNAL REVENUE SERVICE

Research review

Consumers ask for meals for children

Restaurants can make a good impression by paying attention to a number of little "extras" identified in NRA's market segmentation survey Consumer Nutrition Concerns and Restaurant Choices. *If the need for such an addition is appropriate for your market, incorporating it into your establishment could make a big difference and result in increased customer counts and frequency of visits.*

This article reviews consumer responses to one particular amenity identified by the survey—meals prepared specifically for children. Customer interest in portion-size alternatives, salad bars, fresh foods and special menu items will be covered in a future issue.

Offering customers the opportunity to order special meals for children may be more important to your patrons—and to your business—than you realize.

According to NRA's survey *Consumer Nutrition Concerns and Restaurant Choices,* 72 percent of all adults surveyed strongly agree that restaurants should offer meals specially prepared for children. Not surprisingly, women between the ages of 25 and 54 and consumers who have children are most likely to strongly agree with this statement.

Survey results also show that consumers with incomes greater than $40,000 are more likely than other income segments to agree that restaurants should offer special meals for children. A large proportion of the households in this income group are ones where both husband and wife work. These parents are inclined to take their children out to eat with them and have the income to do so. It is also worth noting that these upper-income households are responsible for the lion's share of restaurant spending.

Finally, as the frequency of restaurant patronage increases, so does interest in meals specially prepared for children. This suggests that consumers who eat out frequently would be inclined to take their children to restaurants that make the effort to appeal to their needs.

Not a passing fad

Demographic and economic data suggest that customers will continue to look for restaurants that offer children's meals. Even though the baby boom generation is staying single longer, marrying later—if at all—and having fewer children, population

Percent of adults who think restaurants should offer meals for children

Nearly three-quarters of all consumers believe there should be special meals for children in restaurants.

Demographic groups	Percent who strongly agree
All adults	72%
Women	75
Men	68
Income	
$40,000 and over	76
$20,000 to $40,000	71
Under $20,000	71
Marital status	
Married with children	81
Married without children	66
Single	70
Frequency of dining out*	
Six or more times	75
Three to five times	74
One to two times	70
None	64
Region	
West	77
East	75
South	70
North Central	68

**Average number of dining occasions during a two-week period.*
Source: *Consumer Nutrition Concerns and Restaurant Choices,* NRA.

projections suggest the number of children occupying seats at restaurants is actually increasing.

In 1985, children under 14 years of age accounted for 20 percent of our population (48.1 million), up about 600,000 from five years earlier. Bureau of the Census projections—based on recent levels of fertility, birth expectations and social and economic trends—predict that by 1990 this group will increase by another 3.3 million.

The number of children under five years of age (a primary special menu market) is also expected to rise significantly, reaching 19 million by 1990. Already, the number of these youngsters is higher than at any time since the 1960s.

In addition, expenditure data confirm the importance of households with children as major contributors to industry sales. According to Bureau of Labor statistics, in 1984, households with children under 18 accounted for 44 percent of total household spending for food away from home.

Targeting the market

To effectively target the children's market, it is important to look at the general pattern of adults dining out with their children. For instance, according to CREST, parties of adults with children under 12 years of age make up the largest portion of customers at the evening meal and the evening or afternoon snack period. Consequently, these meal occasions offer the best opportunities to attract families with a special children's menu.

CREST data also point out the types of restaurants families with children are most apt to visit. For instance, among fast food establishments, pizza, ice cream or hamburger restaurants are top choices. In the midscale segment, Mexican and family steak restaurants are favorites; and for these restaurants in particular, a special children's menu may be an especially effective marketing tool. Other restaurants interested in targeting the family market may want to consider including items, such as pizzas or hamburgers, on a special children's menu.

Children in the population by year
(000)

The number of children is rising

Year	Under 5 years	5 to 13 years
1960	20,341	32,965
1965	19,824	35,754
1970	17,166	36,672
1975	16,121	33,919
1980	16,457	31,080
1985	18,453	29,654
1990*	19,198	32,189

**Projected*

Source: *Projections of the Population of the United States, By Age, Sex, and Race; 1983 to 2080*, Bureau of the Census.

Share of total spending for food away from home by household composition

Families are the biggest spenders on restaurant meals

Household composition	Share of spending
Single person	29%
Husband and wife only	21
Husband and wife with at least one child	40
Single parent with at least one child under age 18	4
Other husband and wife households	6

Source: *Consumer Expenditure Survey, 1984*, Bureau of Labor Statistics, June 1986.

To order *Consumer Nutrition Concerns and Restaurant Choices*

This market segmentation study makes a major contribution to understanding what motivates consumers when it comes to making restaurant choices. It divides the market into four groups: traditional consumers, weight conscious consumers, health conscious consumers and the uncommitted. By combining data on dining out behavior and demographics with menu choice information and health and nutrition attitudes, the survey suggests numerous marketing opportunities.

NRA is publishing *Consumer Nutrition Concerns and Restaurant Choices* in two volumes. The 50-page "Summary Volume" provides a general understanding of survey results. The summary volume (CS984) sells for $25 to NRA members, $50 to non-members.

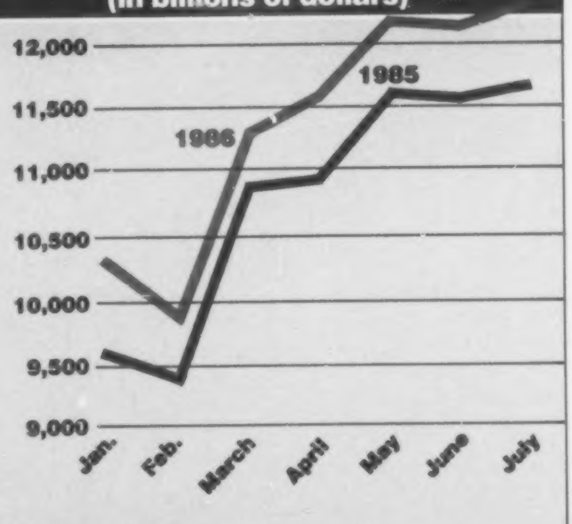
Those interested in using survey results for their own marketing plans will want to purchase the "Detailed Tables, Volume II." The detailed tables (CS985) sell for $50 to members and $100 to non-members. An additional 10 percent in each case is levied for postage and handling.

Residents of Washington, DC, must add six percent sales tax. Illinois residents must add seven percent sales tax. Chicago, IL, residents must add an additional one percent sales tax, bringing their sales tax total to eight percent. To place an order, contact NRA, 311 First St., N.W., Washington, DC 20001 or call (800)424-5156, or (202)638-6100. **Payment must accompany all orders.** Credit card telephone orders are accepted. Please specify order numbers.

Industry indicators

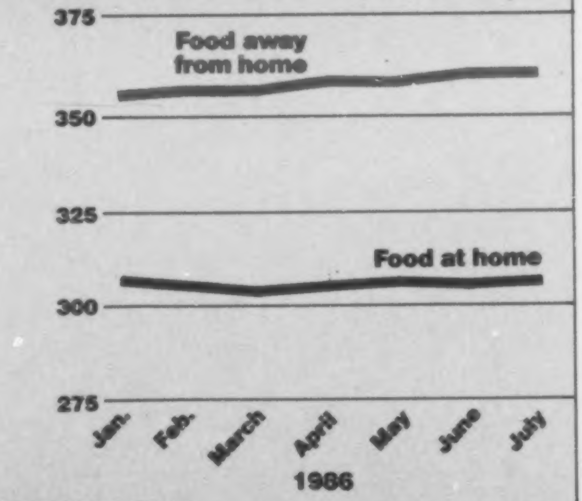
Changes in the economy directly influence restaurant industry performance. To help restaurateurs keep track of changes, the National Restaurant Association periodically publishes this report.

Eating and drinking place sales (in billions of dollars)



Note: Figures subject to revision.
Source: U.S. Department of Commerce, Bureau of the Census

Consumer Price Index (CPI) for food at home vs. food away from home



Note: 1967 = 100
Source: U.S. Department of Labor, Bureau of Labor Statistics

Industry index

Retail sales (millions)	July 1986	Percent change*	Year-to-date July 1986	Percent change*
All retailers	$119,818	4.0%	$800,542	4.4%
Eating and drinking places	$ 12,447	6.6%	$ 80,199	6.5%
Food stores	$ 25,579	5.9%	$168,681	4.6%

Source: U.S Department of Commerce, Bureau of the Census

Consumer Prices (July 1986)	Percent change*	Percent change year-to-date*
Food away from home	3.9%	3.8%
Food at home	3.1%	1.8%
All items less food	1.2%	2.2%
All items	1.6%	2.3%

Source: U.S. Department of Labor, Bureau of Labor Statistics

Eating place indicators (millions)	May 1986	Percent change*	Year-to-date 1986	Percent change*
Eating place sales	$11,519	7.6%	$51,328	6.8%
Real eating place sales	—	3.6%	—	3.0%

Source: U.S. Department of Commerce, Bureau of the Census; U.S. Department of Labor, Bureau of Labor Statistics; NRA

Employment and earnings	June 1986	Percent change*
Total eating and drinking place employment	6118.8**	3.3%
Nonsupervisory employment	5563.8**	3.1
Average weekly hours	26.0	−1.1
Average hourly earnings	$ 4.32	0.2
Average weekly earnings	$ 112.32	−0.9

*Percent change is over same period in prior year.
**Thousands
Note: Figures are subject to revision
Source: U.S. Department of Labor, Bureau of Labor Statistics

Other economic indicators

	1986 Quarter of month	Percent change*
Gross National Product (GNP)	II	5.4%
Disposable personal income	May	3.5%
	June	5.6%
	July	5.7%
Consumer confidence[1]	May	96.1%
	June	97.5%
	July	95.4%
Total private employment	May	2.7%
	June	2.6%
	July	2.9%
Civilian unemployment rate[2]	May	7.3%
	June	7.1%
	July	6.9%

*Percent is over same period in prior year
[1] Figures indicate actual value of the index (1985 = 100)
[2] Percentage indicates actual unemployment rate
Note: Figures are subject to revision.

Sources: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Labor, Bureau of Labor Statistics; The Conference Board

1 NEW ENGLAND

Location: Winooski, VT
NRA member: David Ely
Operation: Waterworks
Profile: Fullservice restaurant
In business: 5 years
Seats: 145 winter, 185 summer
Meals served: Lunch and dinner

"There's been a lot of development in and around Burlington," says **Peter Brady,** co-owner of Waterworks. "The local economy is strong." The restaurant's business has been steady, too, and the owners recently opened another restaurant in Lebanon, NH.

Diners are drawn to Waterworks for both the setting and the versatile menu that ranges from sandwiches and salads to filets. The restaurant is situated over a waterfall and the rapids of the rushing Winooski River.

The restaurant draws two main types of customers: students from nearby University of Vermont and Saint Michael's College during the school year and tourists during the summer. Not surprisingly, the owner's summer marketing consists primarily of advertisements in vacation and dining guides.

2 MIDDLE ATLANTIC

Location: York, PA
NRA member: Burt Holleran
Operation: The Meadowbrook Inn
Profile: Fullservice restaurant
In business: 3 years
Seats: 190
Meals served: Lunch and dinner

"York's economy is very good," says **Sherm Koller,** manager of The Meadowbrook Inn, a recently restored 19th-century, Georgian Revival home. "Our business is up 22 percent."

Under the home's original chandeliers, customers dine on American and continental cuisine. Veal Meadowbrook, a combination of veal and American crabmeat, is one of the inn's most requested entrees. Among the delicacies prepared at the on-premises bakery are Black Forest Cake and Silhouette Cake, an airy dessert combining both light and dark dough.

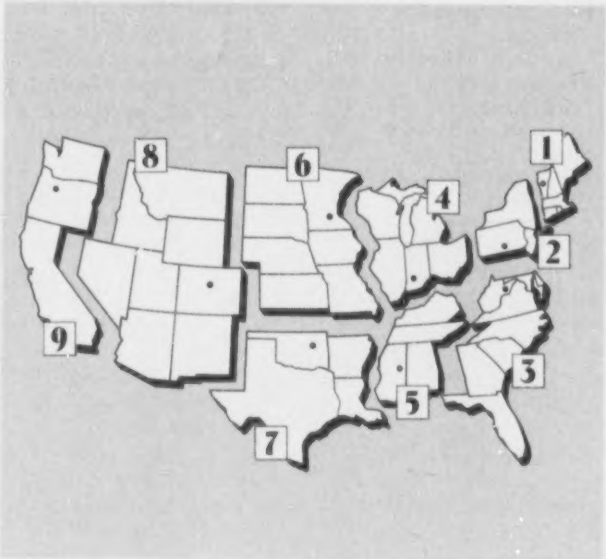
To ensure that his restaurant will remain busy, Koller's ongoing advertising campaign is aimed at "keeping the inn's name in front of the public at all times." The Meadowbrook advertises in all area newspapers as well as many out-of-town magazines.

3 SOUTH ATLANTIC

Location: Davis, WV
NRA member: Franklin R. Engler
Operation: The Oriskany Inn
Profile: Fullservice restaurant
In business: 2 years
Seats: 66
Meals served: Dinner

"The local economy is slowly moving along," says **Tom Wynn,** manager of The Oriskany Inn. Business is slightly better than last summer at this resort-area restaurant.

The inn is situated only two miles from the entrance to Canaan Valley State Park. The small dining room is open on three sides to treat diners to a breathtaking view of the valley. Lobster, steaks and veal are among the menu offerings, and surf and turf is particularly popular. For dessert, customers enjoy homemade cheesecakes, pies and cakes.



The Oriskany's past attempts at local marketing produced unsatisfactory results. The menu prices, Wynn believes, are a bit too steep for area residents. Instead, the inn relies on tourists and visitors to the state park to comprise the bulk of their clientele.

4 EAST NORTH CENTRAL

Location: Lebanon, OH
NRA member: Jackson Reynolds
Operation: The Golden Lamb Inn
Profile: Fullservice country inn
In business: 183 years
Seats: 420
Meals served: Lunch and dinner

The Golden Lamb Inn has been serving traditional American food since 1803 in Lebanon, OH, a bedroom community located between Cincinnati and Dayton. The inn maintains a steady business throughout the year, says assistant manager **Fred Compton,** by bolstering its slow seasons with innovative promotions.

The Golden Lamb's "Bounty of Harvest" promotion takes place in the first two weeks of November as a lead-in to Thanksgiving. "We celebrate Thanksgiving as a season, not as a single day," says Compton. During this promotion, wild game, such as venison, elk and goose, is added to the regular menu.

During the last two weeks of September, the inn ties into the local farm markets with an "Apple-a-Day" celebration. Hard cider and unusual apple dishes are featured. The most popular dessert is Four-Way Apple Pie, which can be ordered with one of four toppings: apple crumb, a la mode, melted cheese or hot rum sauce.

The Golden Lamb's lunch and dinner menus change daily, but popular roasted dishes, such as leg of lamb, turkey and pork loin, remain on the menu 365 days a year. Nineteen restored guest rooms, all furnished in antiques, are available to overnight visitors.

5 EAST SOUTH CENTRAL

Location: Jackson, MS

NRA member: John Dennery
Operation: Dennery's
Profile: Fullservice restaurant
In business: 38 years
Seats: 250
Meals served: Lunch and dinner

Seafood, Midwestern steaks and prime rib have been traditional favorites at Dennery's since 1948. Lately, however, the restaurant has been preparing these specialties in nontraditional ways—from Cajun-style preparations such as blackened red snapper or steak to the experimental combinations that are a trademark of nouvelle cuisine.

In late August, owner **John Dennery** staged a culinary show to give the public a chance to see how the dishes are prepared. More than 200 people watched the chef prepare dishes, such as *Chicken Angelo*—chicken breasts sauteed in a sherry sauce with artichoke hearts and mushrooms. He mailed invitations to his regular customers and also advertised in the local paper.

Several television stations and newspapers covered the event. The public's reaction was so positive that Dennery has already scheduled another demonstration, featuring holiday cooking and hors d'oeuvres, for October.

6 WEST NORTH CENTRAL

Location: Minneapolis, MN
NRA member: U.S. Restaurants
Operation: La Tortue
Profile: Fullservice restaurant
In business: 5 years
Seats: 200
Meals served: Lunch and dinner

Summer is the slowest time of the year for La Tortue (The Turtle), an elegant restaurant located in the heart of Minneapolis' financial district.

Since **U.S. Restaurants** purchased La Tortue earlier this year, it has tried to strengthen La Tortue's marketing position by extending its hours to capture the after-the-theater crowd and other late-night diners and by offering free transportation to and from the restaurant. A complimentary Mercedes-Benz chauffeur service picks up customers anywhere in the downtown Minneapolis area, delivers them to the restaurant and returns them home or to their office after their meal.

The continental menu at La Tortue includes Scandinavian gravlax (marinated salmon), New Zealand leg of lamb Chateaubriand, fresh fruit tarts and a Grand Marnier souffle.

7 WEST SOUTH CENTRAL

Location: Tulsa, OK
NRA member: J. Richard Hunt
Operation: Ricardo's Restaurant
Profile: Mexican restaurant
In business: 11 years
Seats: 150
Meals served: Lunch and dinner

"You've got to look far and wide for some good news around here," says **J. Richard Hunt,** owner of Ricardo's. Tulsa's economy is based on oil and agriculture, two industries Hunt termed as "hurting." Many businesses, including a few restaurants, have closed.

Why then is Ricardo's doing well, with sales up slightly from last year? Hunt attributes his success to his restaurant being "very independent and very inexpensive." Ricardo's Mexican food is served in a relaxed atmosphere, and Hunt's customers include many regulars who "come to eat, not to have a dining experience." The restaurant's combination plates are a particularly good value, he adds. They are almost as popular as the house specialty, chiles rellenos.

Although Hunt has tried some radio and print marketing on a limited basis in the past, he did not find it to be especially effective. Because of Tulsa's troubled economy, he would prefer "not to mess with things" since he seems to have found a formula that works.

8 MOUNTAIN

Location: Boulder, CO
NRA member: Paul Turley
Operation: The Harvest Restaurant and Bakery
Profile: Two natural food restaurants and bakeries
In business: 9 years
Seats: 240
Meals served: Breakfast, lunch and dinner

"This summer's business was not quite as good as expected," says **Paul Turley,** co-owner of The Harvest Restaurant and Bakery. Economic conditions throughout the state "are not the best," he adds, and Boulder in particular is suffering because of cutbacks at one of the city's largest employers.

After a recent study showed that 80 percent of The Harvest's business comes from a highly concentrated residential neighborhood encircling the restaurant, the owners decided to try coupon marketing for the first time. Turley says he was quite skeptical initially, but he has been won over by the striking success of Val-Pak couponing at the restaurant's Denver location.

Both Harvest restaurants specialize in natural foods, many of which are prepared from scratch at the in-house bakery. One of the most popular breakfast offerings, Swiss Granola, consists of homemade granola topped with fresh fruit and yogurt. Later in the day, the *Turkey-Cashew Crunch Sandwich* and *Broccoli-Walnut Casserole* are two nut-filled favorites. The meals are so nutritious, says Turley, that few customers can find reason to pass up the restaurant's frozen yogurt or homemade pie and cobbler.

9 PACIFIC

Location: Milwaukee, OR
NRA member: Ron Kozad
Operation: Joe's Warehouse Restaurant
Profile: Fullservice restaurant
In business: 8 years
Seats: 130
Meals served: Lunch and dinner

Business is down at Joe's Warehouse Restaurant says manager **Bob McPhail,** but it is not as bad as expected. "The area's economy," he admits, "isn't all that great." The restaurant has not had much success with promotions. "The people," says McPhail, "just don't have the money to spend."

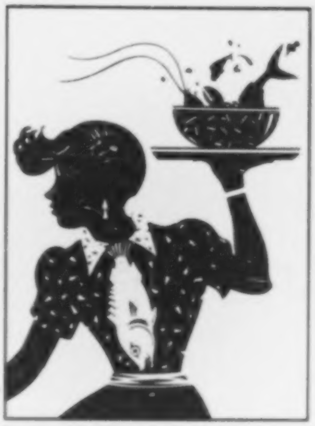
The lunch business at Joe's remains strong, however, because the restaurant is located in a crowded industrial complex. The menu includes steaks and seafood, but sandwiches are the best-sellers for the time-conscious, lunch-hour crowd. The Warehouse Club, an oversized club sandwich, is second in popularity to *The Handtruck*, a grilled roast beef and turkey sandwich topped with Swiss and cheddar cheeses.

—David Slater

Fishy new fashion is no fluke

Restaurants wishing to lure seafood lovers might consider having their waiters and waitresses wear fish around their necks—fish neckties, that is. The ties, retailing between $15 and $22, are catching on throughout the country.

Mark Abramoff, whose original idea spawned the ties, says the neckwear will gross about one million dollars this year. The realistically colored fish, eyes wide open, hang head down with their tail at the wearer's neck. The finny fashions are available in salmon, muskie, tuna, trout and walleyed and northern pike.



Abramoff's Milwaukee-based company, Ralph Marlin & Co., plans new lines—largemouth bass, catfish, barracuda, mackerel and brightly colored ocean fish. Skinny eel and gar ties for women and children's bow ties in "little perch and smelts" may follow.

—Washington Times

All aboard the lunch train

The railroad cars at Virginia Power Company's nuclear plant in Mineral, VA, are using dinner bells instead of train whistles to attract their customers. The two 1940s-era passenger cars serve as the new employee cafeterias at the North Anna Power Station.

Rather than spend one million dollars to build a new cafeteria, the utility bought and refurbished the two cars, built originally for the Chesapeake and Ohio Railroad, for $80,000. They hold 104 hungry passengers. The servers wear railroad attire.

The meals have proved so popular with the utility's employees at North Anna that a similar cafeteria is planned at another nuclear plant in Jamestown, VA.

—USA TODAY

Quality in a small portion

After noticing a trend toward fewer drinks per customer, the owner of The Downtown Restaurant in New York, NY, decided to introduce half bottles of wine. Phillip Hoffman's decision to bypass wine by the glass in favor of half bottles proved successful. Today he boasts of "the largest half bottle wine list in the universe, with 42 selections."

Because Hoffman's 95-seat restaurant has extremely limited storage space, his suppliers allow him to order the half bottles in small amounts—a dozen or a half dozen at a time. The Downtown's wine list includes three sparkling and three dessert wines as well as French, Italian and Californian selections. Customers often share the bottles, which range in price from $3.50 to $19.00.

—***Restaurants USA*** *interview*

Supermarkets shopping for singles

First came delis, bakeries, drugstores and travel agencies. The latest attempt by supermarkets in New Jersey, Delaware and Maryland to broaden their appeal to local markets is to sponsor singles parties. At a recent "singles night" at the Farm Fresh Supermarket in Pasadena, MD, a crowd of 150 singles munched free hors d'oeuvres, sipped tropical drinks and competed for prizes in games involving suggestive edibles.

But can one really find romance among the rutabagas? Pat McGrane, 48 years old and "definitely" in the market for a man, is optimistic. "I've noticed that even when I'm really getting food, people are more friendly, saying 'Hi' and looking you over," she says.

Even those who come up empty-handed seem to enjoy themselves. Mary Miller, a widow who says she sometimes has better luck at the local Moose Lodge, vows she'll be back to bag more than just milk and bread. "It's a nice, relaxed setting," she explains. And if there's one thing she's learned about available men, it's that "they've got to eat, don't they?"

—The Wall Street Journal

Unhitched, yes; unfed, no

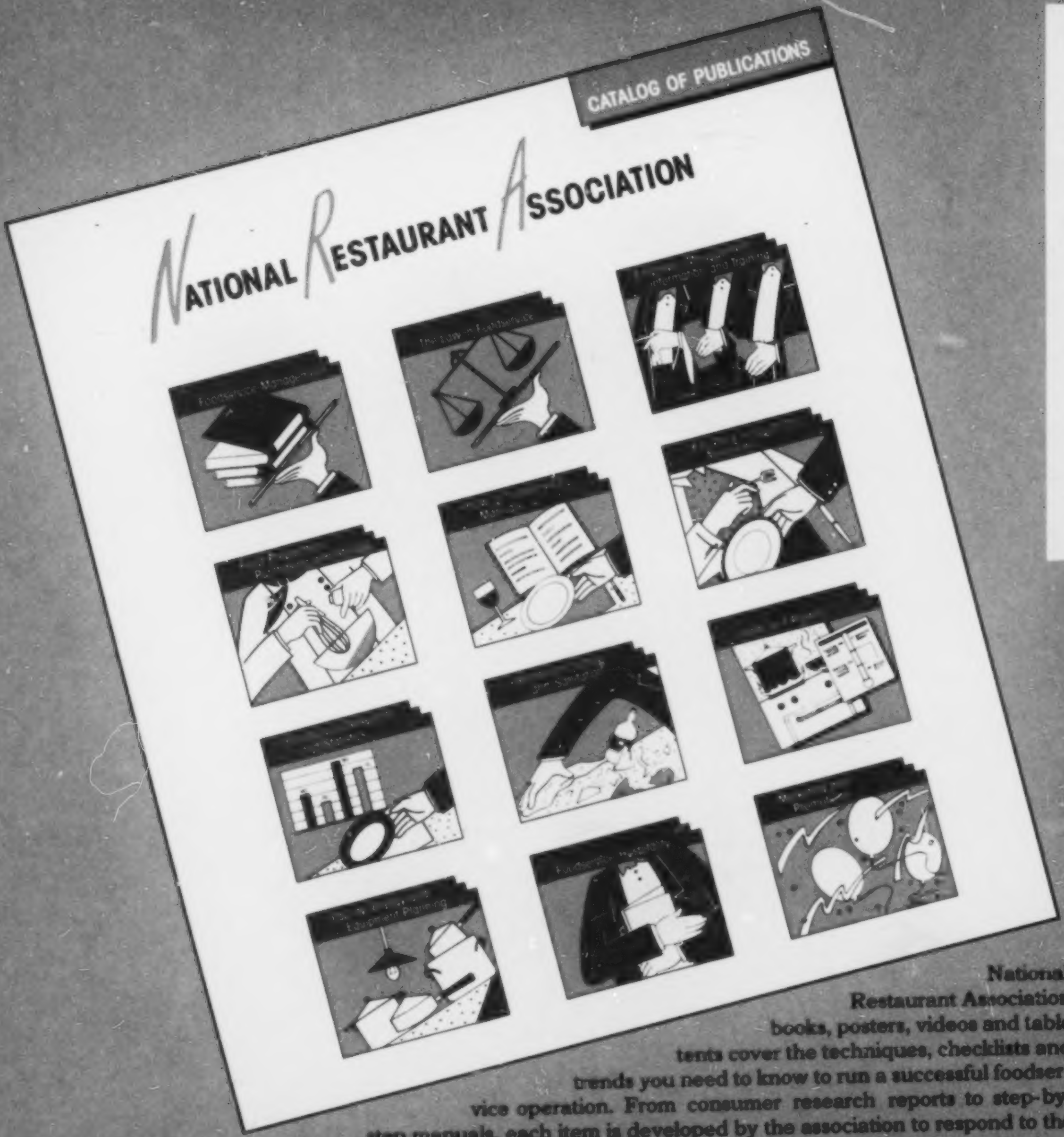
People who say there is no such thing as a free meal have not met Chicago restaurateur Billy Siegal. The owner of That Steak Joynt, a posh, Victorian-style eatery on Chicago's North Side, is offering a unique promotion—if customers can produce their divorce papers on the day they untie the knot, dinner is on the house.

Siegal is not trying to destroy the nuclear family. He simply wants "to make the divorce situation a festive occasion, instead of an unhappy situation." About 15 people have claimed divorce dinners, including a divorced couple who came in with separate dates on the same night. Under the offer, the newly divorced may order anything on the menu, from broiled or barbecue chicken at $10.95 to New York cut steak at $25.95.

Siegal, 38, has been through one divorce and is presently going through another. Will he offer his own wife a free dinner if she comes in on the day their divorce is final? "Absolutely," he says. "She's a very nice lady."

—Los Angeles Times

Order from the National Restaurant Association today.
Be prepared tomorrow.



National Restaurant Association books, posters, videos and table tents cover the techniques, checklists and trends you need to know to run a successful foodservice operation. From consumer research reports to step-by-step manuals, each item is developed by the association to respond to the current needs of foodservice operators like yourself. Publications offer solutions to your nagging problems, provide insight to customer behavior and outline instruction for employee training. Best of all, NRA publications concentrate solely on the business of foodservice.

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